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               IN THE UNITED STATES DISTRICT COURT
 2
                 FOR THE DISTRICT OF DELAWARE
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      PARALLEL NETWORKS LICENSING, LLC,)
                                        ) VOLUME 4
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                      Plaintiff,
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                                        ) Civil Action
                                        ) 13-2073-KAJ
      v.
 6
     MICROSOFT CORPORATION,
7
                      Defendant.
8
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10
                       Thursday, May 11, 2017
                       8:30 a.m.
11
                       Courtroom 4A
12
                       844 King Street
                       Wilmington, Delaware
13
14
      BEFORE: THE HONORABLE KENT A. JORDAN, U.S.C.C.J.
15
      APPEARANCES:
16
                   YOUNG CONAWAY STARGATT & TAYLOR
17
                   BY: ADAM POFF, ESQ.
18
                          -and-
19
                   McKOOL SMITH, P.C.
                   BY: DOUGLAS A. CAWLEY, ESQ.
20
                   BY: CHRISTOPHER BOVENKAMP, ESQ.
21
                   BY: JUSTIN ALLEN, ESQ.
                   BY: ANGELA VORPAHL, ESQ.
22
                   BY: JOHN CAMPBELL, ESQ.
                   BY: KEVIN HESS, ESQ.
23
                   BY: LEAH BURATTI, ESQ.
24
                        Counsel for the Plaintiff
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2	APPEARANCES CONTINUED:
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4	FISH & RICHARDSON BY: JUANITA BROOKS, ESQ.
5	BY: MARTINA TYREUS HUFNAL, ESQ.
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7	Counsel for the Defendants
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1 THE COURT: Good morning. Please 2 be seated. We're here together because I 3 understand Parallel Networks wants to change the 4 claim construction. Got that right? 5 MR. CAMPBELL: Yes, Your Honor. 6 THE COURT: Knock yourself out, 7 Mr. Campbell. 8 MR. CAMPBELL: Your Honor, we 9 believe the Court should issue a supplemental 10 claim construction under the '02 Micro decision. 11 The Federal Circuit clearly stated the scope of 12 the claim in its decision in the Oracle case. 13 It stated that the releasing limitation can be 14 shown if the page server releases the hardware 15 resources, e.g., memory, microprocessor cycles 16 of the web server. And Dr. Long yesterday 17 expressly disagreed with that scope of the claim 18 that releasing microprocessor cycles was 19 sufficient. And based on his disagreement with 20 the Federal Circuit we believe the Court should 21 issue a supplemental claim construction to 22 clarify that that is within the scope of the 23 claim and it satisfies a releasing limitation. 24 THE COURT: All right. Thanks,

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1
       Mr. Campbell. Who is speaking for this on
 2
       behalf of Microsoft?
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                     MS. BROOKS: I will, Your Honor.
 4
       We did have an opportunity, albeit early this
 5
       morning, to file a response. I don't know if
 6
       Your Honor got it.
 7
                     THE COURT: No. I haven't seen
8
       it.
 9
                     MS. BROOKS: We tried to get it in
10
       as soon as we could, Your Honor, but obviously
11
       this came in at 10:40 r something last night.
12
       So let me just summarize if I could. First of
13
       all, Dr. Long's testimony is not contradictory
14
       to the Fed Circuit. He was asked the question,
15
       do you agree that we can show infringement as
16
       long as either -- and then they read the '02
17
       Micro language and he said no, I don't think so.
18
       Well, what he was saying is just because you
19
       don't meet one limitation,
20
       you -- just because you might meet one
21
       limitation, there's two others you don't meet,
22
       so no, you still haven't shown infringement.
23
       I didn't open any kind of a door that would
24
       necessitate a new construction. Also the Fed
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1 Circuit didn't actually construe the releasing 2 limitation. Neither party appealed that they --3 and they were simply in dicta having a 4 discussion about it. Parallel Networks was the 5 party that sought and obtained the constructions in this case and still stands even after the 6 7 '02 -- even after the Oracle case came down. 8 They never asked the Court to change that 9 construction. Microsoft actually did. Parallel 10 Networks said no and the Court agreed with 11 Parallel Networks. They have no excuse for not 12 raising this issue earlier. Dr. Long, in his 13 expert report, actually discussed how he and 14 Dr. Jones appeared to be interpreting what it 15 means to release, one in a more narrow fashion, 16 one in a broader fashion. The prejudice 17 obviously to us would be very significant. 18 But probably more important, Your 19 Honor, is that this isn't a question of law, 20 this is a question of fact. The term has been 21 construed. '02 Micro, the term hadn't been 22 construed and the parties were disagreeing as to 23 what the construction should be and the Court 24 declined to give one. Here the Court gave one,

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Parallel Networks' proposed construction. in denying our motion for JMOL, I pointed out where Dr. Jones had said that that piece of memory was not released and Your Honor pointed out well, but he also said there was some sort of a processor that was released and the jury could decide that that was enough. So it's a question of fact as Your Honor has found, not a question of law and so there was no dispute about what the construction meant. No need to do a new construction. Rather, it's now a question of fact as to whether or not they agree with Dr. Long that that construction -- that that element isn't there or they agree with Dr. Jones that that element is. THE COURT: All right. Thanks. MR. CAMPBELL: Briefly, Your Honor, to address Ms. Brooks' points. The first point, the question -- what led to that question was Mr. Bovenkamp asking Dr. Long, I want to touch on one last topic with you Dr. Long. I want to talk about intercepting which we have, but I also want to talk about the releasing of the web server to process other requests. That

1 was another non-infringement argument you made, 2 correct? That led into the question whether he 3 agreed with the Federal Circuit and he said no. So it wasn't a saying no because I've got these 4 5 two other arguments. It was I don't agree with 6 the Federal Circuit's interpretation here. 7 think you've got do some more specific. 8 Releasing microprocessor circles is not enough. 9 So I think that's a mistake. Ms. Brooks said 10 there's a disagreement about the interpretation 11 of the claim. Dr. Jones was interpreting it one 12 way in accordance with the Federal Circuit and 13 Dr. Long is interpreting it a different way. 14 That's a claim construction dispute. 15 THE COURT: I thought Dr. Jones 16 offered the claim construction you asked for. 17 Are you telling me Dr. Jones changed his 18 interpretation that he testified he was 19 operating under? 20 MR. CAMPBELL: No, Your Honor. 21 THE COURT: That's what it sounds 22 like you just said. Did Dr. Jones or did not 23 Dr. Jones from the stand say he was operating 24 under the claim construction as given by this

1	Court which not incidentally is the claim
2	construction suggested by Parallel Networks in
3	this case?
4	MR. CAMPBELL: He did.
5	THE COURT: Okay. So it sounds
6	like your expert and the other side's expert
7	both testified in accordance with the claim
8	construction handed down by this Court which
9	again happens to be the claim construction at
10	this point that you asked for. Right?
11	MR. CAMPBELL: In opposition to
12	Microsoft's request to change it, yes, that's
13	correct.
14	THE COURT: So the only testimony
15	this jury has heard is testimony based on that
16	claim construction, including testimony from
17	your expert. Right?
18	MR. CAMPBELL: I'm sorry, Your
19	Honor, I did not follow that question.
20	THE COURT: The only testimony
21	this jury has heard is testimony from your
22	expert in accordance with the claim construction
23	that this Court has been operating under since
24	it first issued it at your suggestion. Right?

1 MR. CAMPBELL: Yes, Your Honor. 2 THE COURT: Right. So what you're 3 really saying is in your rebuttal case you want 4 Dr. Jones to get on and introduce a new claim 5 construction. Right? 6 MR. CAMPBELL: No, Your Honor. 7 THE COURT: You want me to give 8 the claim construction that he can then operate 9 under rebuttal? 10 MR. CAMPBELL: I don't think he 11 needs to say anything about it in rebuttal. 12 THE COURT: Then what testimony 13 would they have to deal with? If everybody's 14 testimony in the case is solely and only on the 15 claim construction we have been operating under, 16 what would the jury have as a basis on which to 17 operate under a different claim construction 18 when all the testimony has been directed to the 19 claim construction as it has been throughout the 20 case? 21 MR. CAMPBELL: The jury would have 22 the facts as to how the products work and Your 23 Honor's claim construction as a matter of law as 24 to those claim constructions which would be

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       consistent with the Federal Circuit.
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                     THE COURT: That won't be from any
 3
       expert testimony because both experts gave
 4
       testimony in accordance with the earlier claim
 5
       construction. Right?
 6
                     MR. CAMPBELL: I don't believe so,
7
       no.
8
                     THE COURT: What do you got?
 9
       said anything about anything that's related to
10
       this new claim construction? You had
11
       Mr. Bovenkamp attempt to introduce it in
12
       cross-examination, that was shut down. And you
13
       got nothing else. You got nothing else, do you?
14
                     MR. CAMPBELL: Your Honor, what we
15
       have is Dr. Long disagreeing with the Federal
16
       Circuit's interpretation and scope of the
17
       claims. I think that's proper and supplemental
18
       claim construction is appropriate.
19
                     THE COURT: Anything else you
20
       would like to say, Mr. Campbell?
21
                     MR. CAMPBELL: No, I believe
22
       that's it, Your Honor. Thank you.
23
                     THE COURT: Okay. Well, there is
24
       no lack of chutzpah here, I give you that. It's
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1	denied. You got your record. If you get the
2	Federal Circuit to agree with you, I guess I'll
3	see you all back in court. But we're going to
4	court in front of the jury on the claim
5	construction that we've had since the beginning
6	of the case, suggested by you folks on the
7	Parallel Network's side of the courtroom.
8	Is there anything else we need to
9	talk about when we're together?
10	MR. CAMPBELL: There is, Your
11	Honor.
12	THE COURT: What have you got?
13	MR. CAMPBELL: Your Honor, we
13	MR. CAMPBELL: Your Honor, we would ask that the Court let me set this up a
14	would ask that the Court let me set this up a
14 15	would ask that the Court let me set this up a little bit. The jury has had the Court's
14 15 16	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the
14 15 16 17	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they
14 15 16 17	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they THE COURT: I'm sorry, when you
14 15 16 17 18	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they THE COURT: I'm sorry, when you say they have had the preliminary instructions,
14 15 16 17 18 19 20	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they THE COURT: I'm sorry, when you say they have had the preliminary instructions, they haven't been given a copy of the
14 15 16 17 18 19 20 21	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they THE COURT: I'm sorry, when you say they have had the preliminary instructions, they haven't been given a copy of the preliminary instructions.
14 15 16 17 18 19 20 21	would ask that the Court let me set this up a little bit. The jury has had the Court's preliminary instruction, they heard the preliminary instruction and they THE COURT: I'm sorry, when you say they have had the preliminary instructions, they haven't been given a copy of the preliminary instructions. MR. CAMPBELL: I thought they were

1 MR. CAMPBELL: So they were not 2 given a copy of the preliminary instructions. 3 apologize Your Honor. 4 In those preliminary instructions 5 the Court referenced invalidity, part of the jury's second step is determining whether the 6 7 patent is valid. We believe the Court should 8 provide a supplemental, should provide an 9 instruction to the jury so that they're not 10 confused that that part of the case is out of 11 the case. 12 THE COURT: Yes. That's a good 13 And I think it's appropriate for the two 14 of you to sit down, both sides and say, just 15 read them this, you know, it actually shouldn't 16 take more than a sentence or two and I bet you 17 can agree on the language if you talk about it 18 and I'll be happy to provide that. 19 MR. CAMPBELL: I'm happy to give 20 it to you. We proposed three sentences, the 21 other side objected. 22 THE COURT: Just talk to them 23 first, right, see what you can work out with 24 them.

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                     MR. CAMPBELL: I understand.
                                                    I'm
 2
       saying we did. We didn't bring this up without
 3
       talking to them.
 4
                     THE COURT: So you guys have
 5
       already talked about it, you can't agree, you
 6
       can't agree how to say to the jury invalidity
7
       isn't in the case?
8
                     MS. BROOKS: Actually we would
9
       agree on that, Your Honor, what you just said.
10
       They are overemphasizing. What Your Honor just
11
       said, invalidity is not before you, perfect.
                     THE COURT: That's all it needs to
12
13
       say. All they need to know is the invalidity
14
       reference made earlier in the case isn't in the
15
       case. I'm not saying Microsoft fell to its
16
       knees and said no, no, we can't make this case,
17
       I'm not saying anything that remotely implies
18
           We'll say invalidity isn't in this case.
19
       If you can't agree to something as simple as
20
       that -- I'll give it in your words if you can
21
       come to an agreement -- that's what I'll say.
22
       I'll give you another crack at it. Is that
23
       okay?
24
                     MS. BROOKS: Thank you, Your
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1
       Honor.
                     THE COURT: You're still there.
 2
 3
       Do you have something else?
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                     MR. CAMPBELL: He apologize.
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                     THE COURT: You don't need to
 6
       apologize. What have you got?
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                     MR. CAMPBELL: Just for the
8
       record, since Microsoft has rested its case, we
 9
       would like to make a motion as a matter of law
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       on infringement, Microsoft has raised three
11
       defenses, all three of which failed as a matter
12
       of law.
                     THE COURT: Hold on just a second.
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14
       I'm sorry to interrupt, but that reminds me of
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       something else I want to ask real quickly.
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       the JMOL motion that was made last night, and
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       I'm taking this is a supplemental JMOL -- that's
18
       okay, I'll let you do it.
19
                     MR. CAMPBELL: Thank you.
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                     THE COURT: I had asked both sides
21
       to come up with a list of things that actually
22
       were in the case. I apologize, that was
23
       actually in Microsoft's JMOL. Have you folks
24
       had a chance to talk -- do you know what I'm
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1 referencing? Remember, there were things that 2 were in the complaint, products that had been 3 accused, and claims that had been asserted and I 4 said please get together and sort that out. 5 Have you had a chance to do that yet? 6 MS. BROOKS: Apparently we 7 e-mailed them last night, but they didn't get a 8 chance to respond, so we're still waiting. 9 THE COURT: You're still working 10 that out? That would be a great thing to be 11 able to deal with before we all disperse to our 12 various corners. 13 Go ahead, Mr. Campbell. 14 MR. CAMPBELL: So we would move 15 for judgment as a matter of law on infringement. 16 Microsoft made three arguments, all three of 17 which fail as a matter of law. 18 The first is that there is not a 19 request that satisfies the claim and claim 20 terms, claim construction for request is simply 21 a message that ask for a web page. 22 testimony has been unequivocal that we have all 23 used the pizza example, that request goes all 24 the way to the web server, response comes all

1 the way back. 2 The argument that there is some 3 sort of prosecution history estoppel is 4 incorrect under the IPR description that the 5 SWEB system is very different, so no reasonable 6 jury can find that the request limitation is not 7 satisfied. 8 The second is the intercepting, 9 the claim construction, intercepting is 10 diverting the handling request before the 11 request is processed by the HTTP server. 12 has been -- the testimony has been that the 13 request is not processed, that request for 14 again, I'm keep using the example just because 15 it's illustrative of the pizza, there is no 16 processing of creating, getting the contents for 17 that web page until after the request is 18 diverted. So for the handling of that request

And as Your Honor noted in the summary judgment ruling, it would be against the preferred embodiment to apply that construction in a way that doesn't allow some handling, some processing of the request because that's exactly

to create the response to that.

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1 what's done in the preferred embodiment. 2 And then the final argument that 3 Microsoft made is that releasing the web server, 4 again, there's no -- testimony is unequivocal 5 from everyone that cycles, microprocessor cycles 6 are freed by the application server, processing 7 this request as opposed to the web server. And 8 so for that reason the freeing the web server 9 limitation is met as well. 10 THE COURT: Okay. Thanks, Mr. 11 Who is speaking to this on behalf of Campbell. 12 Microsoft, please? 13 MS. BROOKS: I apologize, Your 14 Honor. I was totally distracted, so Ms. Hufnal 15 is going to. 16 THE COURT: Sure. That's fine. 17 MS. HUFNAL: Thank you, Your 18 Honor. I'll take the three limitations in 19 Request, counsel said that the pizza 20 example is undisputed. The jury has heard 21 extensive evidence about how that request is 22 interpreted and when it comes into the system it 23 is augmented, processed, handled. There was 24 extensive testimony about that yesterday. So

1 there's at a minimum an issue for the jury to 2 decide under the Court's claim construction. 3 Relatedly is the processing. The 4 jury heard at length how when the request comes 5 in it is handled and processed through the IIS 6 system, through the FrontDoor system. So 7 judgment as a matter of law is inappropriate 8 there. 9 And on the freeing, as is 10 evidenced from their filing last night, there 11 was extensive evidence about how memory is used 12 and the connection is held in IIS for each 13 request and that is not freed until the response 14 is returned. 15 THE COURT: Okay. Thanks, Ms. 16 Mr. Campbell, anything you want to say 17 in addition? 18 MR. CAMPBELL: No, Your Honor. 19 THE COURT: Well, your motion is 20 of record and your arguments are of record. I 21 deny it. We'll be ready to go ahead and get the 22 jury in here at 9 o'clock. You'll be ready with 23 your -- Mr. Bovenkamp, you'll put Dr. Long on, 24 is that the plan?

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                     MR. BOVENKAMP: Yes, we'll be
 2
       ready. And yes, we'll be calling Dr. Long.
 3
                     MS. BROOKS: Jones.
 4
                     THE COURT: I'm sorry, I just
 5
       wanted to see -- just throwing it out there see
 6
       if you're paying attention.
 7
                     MS. BROOKS: I don't want Dr. Long
8
       to have a heart attack.
 9
                     THE COURT: Dr. Jones, I
10
       apologize. And if Dr. Jones is in room, that's
11
       the second time I've done that to you, sir.
12
       apologize.
13
                     I did tell the jury I would give
14
       them the preliminary instructions and that they
15
       would have those with the final instructions, so
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       since the invalidity and this stuff is not in
17
       there, can some member of each team please work
18
       together and strip that out so I can hand a
19
       copy, a corrected copy of that to them?
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       you'd do that, that would be great. And I know
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       that kind of puts you on the short term because
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       I'm expecting to instruct them, depending on how
23
       long arguments go and testimony goes from
24
       Dr. Jones, I expect to do that this morning, all
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1
       right?
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                     MR. CAWLEY: Your Honor, could I
 3
       ask one super brief question?
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                     THE COURT: Sure.
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                     MR. CAWLEY: Since we're on the
 6
       verge of closing arguments, does Your Honor
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       follow the traditional format of Plaintiffs
8
       closing, Defendants closing, Plaintiffs
9
       rebuttal?
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                     THE COURT: Yeah. If we still had
11
       invalidity in this case, they'd get to go last
12
       on that. We don't. It's burden of proof, so
13
       yeah, just like you said.
14
                     MR. CAWLEY: Thank you.
15
                     (Short recess.)
16
                     THE COURT: All right. Thanks.
17
       Let's have the jury in.
18
                     (Jury entering the courtroom at
19
       9:02 a.m.)
20
                     THE COURT: Thanks, ladies and
21
       gentlemen. Please be seated. Thanks for being
22
       here. We're ready to go.
23
                     Mr. Bovenkamp.
24
                     MR. BOVENKAMP: Yes, Your Honor.
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1 The plaintiff, Parallel Networks, calls for its 2 rebuttal case, Dr. Mark Jones. 3 THE COURT: Dr. Jones, you may 4 take the stand. You remain under oath, sir. 5 Please proceed. 6 MR. BOVENKAMP: Thank you, Your 7 Honor. BY MR. BOVENKAMP: 8 9 Q. Dr. Jones, you're back. 10 Α. Yes. 11 What are you here to testify about Q. this time? 12 13 I'm here to testify regarding 14 Microsoft's arguments they made for 15 noninfringement. 16 Q. I want to start at least by 17 introducing your testimony with the two boards 18 that we see here setup in the courtroom. Do you 19 see those okay? 20 A. Yes. 21 Can you remind us what you did to 22 create these boards that show claim 20 and claim 23 43 colored in various weighs? 24 I walked through the claims

1 element by element and indicated which evidence supported those claims and explained my analysis 2 3 and reasoning for each one of the claim 4 elements, why they're met by Microsoft's Bing and MSN products. 5 What did you find with regards to 6 7 claim 20 and claim 43 in the patents in trial? 8 I found that Microsoft's Bing and 9 MSN products infringe both claims 20 and 43. 10 We also during your case talked Q. 11 about some dependent claims, claims 78, 41 and 12 49; correct? 13 Α. Yes. 14 Did you hear anything during 15 Microsoft's case about those dependent claims at 16 least specifically with regard to the elements 17 in them? 18 No, there were no noninfringement 19 arguments made with respect to the additional 20 limitations of claims 41, 49 and 78. 21 What does that mean to you? 22 That means that if claims 20 and 23 43 are infringed, that under that argument, 24 claims 41, 49 and 78 would be infringed,

1 Microsoft won't have a specific noninfringement 2 argument for those. 3 Q. I want to talk about through each 4 of the three reasons that Microsoft argued that 5 it didn't infringe the '335 and '554 patents. You heard Microsoft put on its case on those? 6 7 Α. Yes. So let's start with the first. 8 9 What did you understand was Microsoft's first 10 noninfringement argument? 11 This was that they have multiple 12 requests in their system. In other words, it's 13 not the same request that travels through 14 FrontDoor to their application server endpoints. 15 Do you remember what the Court's 16 construction of request was? And let me put up 17 so we're all on the same page, I'll put up on 18 the document camera the Court's claim 19 construction. 20 A. A request is a message that ask 21 for a web page. 22 Do you agree, Dr. Jones, that the 23 claims that are being asserted require a single 24 request?

1 Α. Yes. 2 Q. Why is that? 3 That's because -- well, first of Α. 4 all, that's how Mr. Lowery's system that he 5 designed worked. But the claims have a requirement for a request, each one of them, and 6 7 then throughout the claim there is a reference 8 to said request. 9 Q. Based on the Court's claim 10 construction, what has to be asked about whether 11 something is a request or not? 12 Well, it has to be asked whether 13 it's based on the construction, a message that 14 ask for a web page. 15 Is a message that ask for a web 16 page a specific thing? 17 Yes, it is. It's going to be that 18 HTTP request. 19 Is there anything in particular 20 within an HTTP request that identifies what's 21 being asked for? 22 Yes. In this case it's going to 23 be the burden of get the resource that's being 24 asked for. For example, in that pizza example

1 in PTX-541, it's going to be the slash search 2 question mark pizza. 3 And I know you're pretty familiar 4 with the evidence and the jury probably is, too, 5 by this point, but if we could put up real 6 briefly Plaintiff's Exhibit 541. This is this 7 FDv2 deep dive document? 8 Α. Yes. 9 If we could turn to page 12 of Q. 10 this. What you're referring to is this search 11 question mark Q equals pizza request that's 12 shown on this page; correct? 13 Α. That's correct. That's part of 14 it. And there is the get as well. 15 Is there a dispute between the 16 parties, to your knowledge at least, that a 17 message asking for a web page is sent from 18 FrontDoor to the application servers? 19 Α. No. 20 What does Microsoft dispute? 21 Their position or their dispute is Α. 22 they're saying that's a different request, that 23 the one that comes in to say FrontDoor is 24 different than the request that leaves

1 FrontDoor. 2 Is it? Q. 3 No, it's not a different request. 4 It's the same request and we can see that in the 5 evidence everything we have seen so far 6 indicates that in terms of the actual evidence 7 in the case. 8 What happens to the message that's Q. 9 asking for, for example, for this pizza web page 10 when it gets to the application server? 11 A. Well, when it gets to the 12 application server endpoint, it's going to 13 generate that search results, it's going to go 14 back and do the dynamic web page generation, 15 create those results and send them back as a 16 response. 17 Microsoft argues that because 18 certain things are added to the request, there 19 is no infringement. Do you agree? 20 MS. BROOKS: Excuse me, Your 21 Honor. Objection. Way outside the expert 22 There is no discussion about get. 23 THE COURT: All right. I'll see 24 counsel at side-bar.

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                     (Discussion at side-bar:)
 2
                     THE COURT: Mr. Bovenkamp, do you
 3
       want to show me where you have got that in his
 4
       expert report?
 5
                     MR. BOVENKAMP: Sure, one example.
 6
                     THE COURT: I'll need you to keep
7
       your voice down.
8
                     MR. BOVENKAMP: One example, Your
 9
       Honor, is his discussion of the document that is
10
       up on the screen with regards to HTTP and the
11
       request that gets sent out. And to Your Honor's
       point, is the word --
12
13
                     THE COURT: I don't have a point,
14
       I'm asking, my question is based on the
15
       objection, does he ever in his report talk about
16
       this, is the word get, get does this, it is part
17
       of the TCP protocol, it does X, Y, Z, is that in
18
       there, because if it's not, move on.
19
                     MR. BOVENKAMP: I'm not going to
20
       intend to ask him anymore questions. And the
21
       question that was pending doesn't have anything
22
       to do with the get. But to answer Your Honor's
23
       question, there is no specific reference to get
24
       in the expert report.
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1	THE COURT: If it's not in there,
2	don't ask about it. Stick with what's in his
3	expert report that you can legitimately use on
4	rebuttal based on what Dr. Long or somebody else
5	said.
6	MR. BOVENKAMP: Understood, Your
7	Honor.
8	THE COURT: Thanks.
9	(End of side-bar.)
10	THE COURT: Okay. Thanks, Mr.
11	Bovenkamp. You may proceed, please.
12	BY MR. BOVENKAMP:
13	Q. We were talking, Mr or
14	Dr. Jones, about the cooked versus raw issue,
15	correct?
16	A. Yes.
17	Q. Okay. And you heard the testimony
18	with regards to Microsoft that because something
19	was added to that, that that changed the
20	request, correct?
21	A. Yes, I heard that.
22	Q. Do you agree with that?
23	A. The request is still the same
24	request that enters. In other words, it's still

1 the same request that we see here up on the 2 screen. It's still the same request when it 3 moves through FrontDoor. 4 Just because you cook a potato --5 MS. BROOKS: Excuse me, Your 6 Honor. 7 THE COURT: Overruled. Go ahead. 8 You can ask that question. BY MR. BOVENKAMP: 9 10 Just because you cook a raw potato 11 doesn't change it? 12 No, it's still a potato at that 13 point. Just like in this case if I create 14 what's called a structured version, I think it's 15 called, has been referred to as a semantically 16 equivalent version of it that's been referred 17 to, it's still the same request that's passing 18 through. 19 Let me shift gears. During 20 testimony of Dr. Long yesterday, which you were 21 here for, correct? 22 A. Yes. 23 There was a discussion of some 24 affirmative statements made by Parallel Networks

1	in some documents that were put up on the
2	screen. Do you remember those?
3	A. Yes, I do.
4	Q. Okay. And that included reference
5	to something called SWeb. Do you remember that?
6	A. Yes.
7	THE COURT: Hold on.
8	MS. BROOKS: Hold on. No mention
9	of this at all in his expert report.
10	THE COURT: All right. I'll see
11	counsel at side bar.
12	(Side bar discussion.)
13	MR. BOVENKAMP: Your Honor, I'm
14	showing you a page from the rebuttal report of
15	Dr. Jones. Title of this page starts SWeb. I
16	intend to ask Dr. Jones about Figure 6.
17	THE COURT: I thought I had heard
18	there was no rebuttal report, but maybe I
19	misheard that.
20	MR. WOLFF: There was no rebuttal
21	and that was the IPR Microsoft asked for
22	MS. BROOKS: Judge Robinson.
23	MR. WOLFF: Judge Robinson. I'm
24	talking about the 2016 after the IPRs. You were

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1
       asking about the IPRs. There's no discussion
 2
       about the IPR in his report. There's no
 3
       discussion in the rebuttal report.
 4
                     THE COURT: You have to speak to
 5
       me.
                     MR. WOLFF: Microsoft asked for
 6
 7
       leave to submit. We had an order for leave to
8
       submit supplemental reports. There's no
 9
       supplemental report by Dr. Jones addressing the
10
       IPRs.
11
                     MR. BOVENKAMP: And Your Honor --
                     THE COURT: You can't talk to him.
12
13
       You got to talk to me. It's just that simple.
14
       Okay.
15
                     MS. BROOKS: He's learning, Your
16
       Honor.
17
                     THE COURT: Okay.
18
                     MR. BOVENKAMP: I'm not talking
19
       about IPRs.
20
                     THE COURT: I know you're not
21
       talking about IPRs, but I'm finding out was
22
       there a rebuttal report submitted in this case,
23
       because if a rebuttal report was submitted in
24
       this case, then everybody had notice. I'm being
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1
       told, no, it wasn't. Now I'm looking at
 2
       something that says rebuttal expert report Mark
 3
       Jones. Was there a rebuttal report submitted in
 4
       this case or not?
 5
                     MS. BROOKS: Only on invalidity,
 6
       Your Honor, not on infringement. So in other
 7
       words -- there was the traditional exchange.
8
       went with invalidity first and then Dr. Jones
 9
       rebutted that invalidity report. No
10
       infringement rebuttal report was ever filed.
11
                     THE COURT: Oh, okay. But this
12
       report was in --
13
                     MR. BOVENKAMP: Yes, Your Honor.
14
                     THE COURT: -- in this case.
15
                     MR. BOVENKAMP: Yes, Your Honor.
16
                     THE COURT: Hmm. Well, that's a
17
       little bit -- a little bit of a challenge, isn't
18
           Well, here's what I'm going to do, because
19
       Microsoft chose to get into this with Dr. Long
20
       pretty specifically and because you had notice
21
       at least of their position, albeit in an
22
       invalidity report, I'll let him ask some
23
       questions about it, limited to what they ask
24
       about, which was very specific. Now, I told
```

1	them to stay away from SWeb, but if you get into
2	this in your questioning, then those
3	instructions I gave yesterday about don't get
4	into it in closing, that's off the table. You
5	put it back on the table, it's on the table. In
6	other words, I've tried to keep the inter partes
7	stuff down to just the barest minimum that what
8	I thought was essential and fair given the what
9	are in effect judicial admissions and otherwise
10	keep it out of the case. I let you get into it
11	a little bit yesterday in your cross-examination
12	based on how far they went and I thought I've
13	been pretty clear about, you know, you ought to
14	be treading carefully. Now, given how far she
15	went, she being Ms. Brooks, I'll let you ask the
16	question I heard being asked, which was about
17	SWeb. But I'm telling you, you are marching
18	down this road and then I'm going to
19	everything that got talked about, but only that
20	which was talked about in Court, is fair game
21	talking about in closing. Understand what I'm
22	trying to say?
23	MR. BOVENKAMP: I think so, Your
24	Honor. So I would request so we're not up here

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1
       again and waste more of the jury's time, I
 2
       intend very briefly to have Dr. Jones explain
 3
       exactly how the multiple requests occur and
 4
       that's it.
 5
                     THE COURT: Yeah. No.
                                              That's
 6
       fine.
              Thank you. Thanks for clarifying.
 7
       That's what I'm telling you, they got into
8
       single request, you can get into that since it's
 9
       in that report. They had notice of it, we're
10
       done.
11
                     (Side bar discussion ends.)
12
                     THE COURT: Okay. Ladies and
13
       gentlemen, just want to say something real
14
       quick. Counsel have been trying hard to make
15
       sure that we don't have disputes, we could
16
       handle them outside your presence and we have a
17
       minimum of these interruptions where you sit
18
       while we chat, where it's not the most efficient
19
       use of your time, but even in the best of
20
       circumstances sometimes these things pop up when
21
       we can't just march you out, bring you back.
22
       That would be even more disruptive.
                                             Thanks for
23
       your patience. I think we're on the same page
24
       now. Mr. Bovenkamp, you may proceed.
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1 MR. BOVENKAMP: Let me reorient 2 us. 3 BY MR. BOVENKAMP: 4 I asked you if you heard some 5 testimony with regards to some affirmative statements Parallel Networks made about SWeb 6 7 during Dr. Long's testimony. Did you hear that? 8 Α. Yes. 9 Q. Okay. Are you familiar with the 10 SWeb reference? 11 Α. Yes, I am. 12 And I just want to ask you about 13 one statement that Dr. Long made. Do you 14 remember Dr. Long saying that Parallel Networks 15 said, thus while the '554 Patent involves a 16 single request, SWeb 95 requires multiple 17 requests from the web client for a single 18 dynamic web page? Do you remember testimony to 19 that effect? 20 Α. Yes, I do. 21 What I want to ask you to do and 22 I'll try to follow along and draw is if you 23 could describe for me how SWeb works. Before I 24 do that, first of all, do you agree that SWeb

1 sends multiple requests? 2 Yes, I do. Α. 3 Okay. Let's go through and you 4 tell me what to draw and I will draw what SWeb 5 does. 6 LET'S start with a client Α. 7 computer, which would be something with a 8 browser on it. And then draw a server, a web 9 server on the other side. 10 Q. Okay. 11 In that case in SWeb 95 the client 12 will send a request for a web page to the web 1.3 server and the web server will return a response 14 to that and that response says essentially go 15 get the web page somewhere else. Then draw 16 another web server and at that point if the 17 client chooses to, the client will send another 18 request to the web server and that web server 19 will also respond to the client to that request. 20 Q. And so just to clarify, I think 21 it's clear, in SWeb client sends one request to 22 a web server, correct? 23 Α. Yes. 24 That web server decides not to Q.

1 respond with a web page, right? 2 Right. Well, with that web page, 3 it responds with a web page. It doesn't respond 4 with a web page that that web server -- it 5 doesn't respond with a web page with content. It's not the requested web page? 6 Q. 7 Α. That's right. 8 Instead it sends back an Q. 9 instruction for the client to a -- send a second 10 request? 11 If the client chooses to, it's a 12 recommendation. 13 Q. Does Bing and MSN work like SWEB? 14 No, not at all. It's a completely 15 different architecture, but it's also an 16 architecture with one request from the client 17 for a web page. 18 Q. Let's go to the second 19 noninfringement argument. Do you remember what 20 that was? 21 A. Yes. This is an argument where 22 Microsoft says they don't do the intercepting 23 step. 24 Q. And before we get to your views on

1 that, I want to show you a couple of things. 2 First is from your expert report on Exhibit A, 3 page 12. Do you recognize that? Yes. That's the Microsoft or one 4 5 of the expert's at Microsoft documents that I discussed in the report. This one is, I believe 6 7 it's DDX-205 that's been discussed at trial. 8 Is there anything you want to say 9 about the figure, the image that's shown on the 10 screen? 11 Well, in my discussion of this, 12 we'll also see in other pages where I indicate 13 what the various steps of it are. When you look 14 at this, you can see the clear diverting of the 15 handling that's occurring in this figure just as 16 I discussed earlier a couple of days ago during my direct testimony. 17 18 Where specifically is there an 19 example of diverting that that occurs in this 20 figure? 21 That happens during -- when it 22 becomes time to execute the handler or the 23 module, in the case of FrontDoor version 2, 24 that's when it begins to execute the FrontDoor

1 version 2 module. 2 Q. Is that the fork in the road, so 3 to speak? 4 Α. Exactly. 5 So another page from your expert 6 report, this is page 14 from Exhibit A of your 7 expert report. 8 Yes, we look at the bottom, that's 9 describing some of the steps in the IIS 10 pipeline, again, from another Microsoft document 11 that is describing what the various steps do. 12 And when we're looking at them you see that none 13 of those steps are the dynamic web page 14 generation, these are handling the request, and 15 eventually it will come time to execute the 16 handler for a request that is for a dynamically 17 generated web page. 18 Q. You, like the other experts in 19 this case, had to prepare these reports; right? 20 Α. Yes. 21 Did you include everything in your 22 report in the testimony that you presented 23 during the case in chief? 24 No. Many, many pages in here and

many documents, so no, when I'm describing things in direct testimony, I'm describing particular elements of evidence that I think give good examples of my analysis.

- Q. So let's go to your analysis of intercepting. Let me put back up on the screen the Court's claim constructions. Where do we need to start?
- A. We start with the claims and the claim element. In this case we have got a construction for intercepting said request at web server or at the HTTP-compliant device, and that means diverting the handling of said request before the request is processed by the web server or in the case of claim 43 the HTTP-compliant device.
- Q. Before we get to the specifics of what your proof is connected with this limitation, remind us what this intercepting term relates to?
- A. Well, this relates to the idea in the invention that instead of doing all of the processing for the customers, instead of generating the web pages at a single web server,

1 the dynamic generation of the web pages can be 2 off-loaded to the page servers so that the web 3 server can handle more requests so it doesn't 4 get overloaded. 5 Q. Can we bring up Plaintiff's Exhibit 6, which is the '554 patent. And let's 6 7 turn to figure 2. Is this some of the prior art 8 that was discussed in the patent? 9 Yes, this is describing Α. 10 essentially the old way of doing things before 11 the invention, and what we see here are web 12 servers and those web servers actually there 13 directly generate or locate the web pages and 14 return them to the web client. This is the old architecture with web servers at the same level. 15 16 What was wrong with doing all of 17 the web server executable, the web page, and 18 everything that goes along with that on the web 19 server? 20 As we'll see in the specification, 21 it will create too much load on that web server. 22 That web server can only handle so many

Q. If we go to column four of the

23

24

requests.

1 patent, and look at lines 38 through 41. 2 is said in this portion of the specification? 3 A. Well, this is indicating that a 4 large website could receive thousands of requests or hits in a single day. This is back 5 6 in 1996, '95 time frame. And this indicates 7 that current web servers process each of these 8 requests on a single machine, namely the web 9 server machine, and then it will go on to 10 explain this is a disadvantage because it's 11 going to put a huge load on that one web server. 12 What was Mr. Lowery's solution? 13 Α. His solution was to divert 14 requests to page servers or off-load the request 15 to page servers that would do the work of 16 dynamic generating the web page. 17 Q. Microsoft agrees, if I understand 18 their testimony of their witnesses correctly, 19 that handling can occur before interception; 20 correct? 21 That's my understanding, yes. Α. 22 What can't occur before Q. 23 interception? 24 You can't generate, dynamically

1 generate the web page before the interception. 2 Q. What occurs in Bing and MSN? 3 In Bing and MSN, it's intercepted, Α. 4 the request, then it's forwarded on to the 5 application server endpoints. That's that big 6 diagram we saw in PTX-763 where the work of 7 dynamically generating the web page is done. 8 And, in fact, that's far more work than it would 9 be to simply divert the handling of the request. 10 Do you remember, Dr. Jones, my 11 discussion with Dr. Long about whether the claim 12 construction of the Court required significant 13 amounts of handling, or significant amounts of 14 processing, do you remember that? 15 I do. 16 Is there any requirement in the 17 Court's claim construction relating to the 18 amount of handling that can occur before the 19 request is diverted? 20 No, it's just a plain language is 21 diverting the handling of said requests before 22 the request is processed. 23 So even if Microsoft shows that 24 there is significant amounts of handling that

1 occurs before the diversion, does that matter? 2 No, the handling is diverted and 3 the purpose of the diverting is so that it can 4 be dynamically generated on a page server which 5 will release the web server to handle other 6 requests. 7 So we have gone through number one 0. 8 noninfringement argument relating to the request 9 limitation; correct? 10 A. Yes. 11 We have gone through now number 12 two noninfringement argument relating to the 1.3 intercepting limitation; correct? 14 Α. Yes. 15 Is there a third? Yes. The one related to 16 17 releasing. 18 Am I correct that what Microsoft 19 argues is it does not release the HTTP-compliant 20 device or web server to process other requests? 21 Α. Yes. 22 Where do we need to start to 23 determine whether or not that's true? 24 Α. Well, start with the claim

1 construction from the claim at the bottom of 2 this, or element the bottom of the page which 3 says freeing the web server to process other 4 requests. 5 And so in order to determine what 6 it means to free a web server, or what it means 7 to free a HTTP-compliant device, what should we 8 look at? 9 We can look at the operation of 10 We can look at the construction of the system. 11 web server. We can also look at what an 12 HTTP-compliant device is. So in other words, 13 what we're freeing is either the web server to 14 process the other requests or the HTTP-compliant 15 device to process other requests, so we need to 16 look at those two constructions. 17 Q. The Court's construction, let's 18 take those two in turn. I want to focus on the 19 part of the web server and the HTTP-compliant 20 device because that's what's being freed; right? 21 Α. That's correct. 22 For the web server, that can be 23 software; right? 24 Α. Yes.

1 And for a web server it can also 2 be a machine having software; correct? 3 That's correct. Α. 4 And for an HTTP-compliant device, 5 it's a device; right? 6 Α. Yes. 7 Another word for machine? Ο. 8 Α. Yes. 9 And that machine is running Q. 10 software; right? 11 Α. That's correct. 12 What is the significance with 13 regard to freeing of it being a device versus 14 software? 15 Well, in the case of a device, 16 we're talking about hardware, so we can be 17 freeing hardware resources. We can also refer 18 to software resources. So in both cases for 19 what's being accused, it's going to be the 20 computer running FrontDoor in version 1 or 2, 21 along with the software on that computer, so it 22 can be freeing hardware resources or software 23 resources. 24 Q. Let's focus on the computer

because I think that's what you're accusing of
infringing the claims in this case; right?

A. That's correct. And what I

identified as being freed are the CPU or processor cycles. If the CPU is being freed to process other requests because that CPU does not have to spend its time on the very costly, from a CPU point of view, time associated with generating a dynamic web page.

- Q. Okay. Is there any dispute that sending the request to the page server frees processor cycles on FrontDoor web server?
 - A. No, there is no dispute on that.
- Q. What effect does the dynamic processing of web pages have on a processor?
- A. It takes a lot of processor time.

 In other words, you think of the processor as the brains of the computer. It takes lots of processor time to generate a dynamic web page, and so instead of having say FrontDoor do that, it's handed off to this back end where there are many more computers to handle that request, that frees FrontDoor to handle new incoming requests.
 - Q. So that concludes your rebuttal of

1	the third noninfringement argument that
2	Microsoft made; is that correct?
3	A. That's correct.
4	Q. We have gone through their first,
5	second and third noninfringing points. What is
6	your conclusion, what are you telling the jury
7	today?
8	A. My conclusion remains the same,
9	that claims 20, 43, 78, 41 and 49 are all
10	infringed by Bing and MSN.
11	MR. BOVENKAMP: Pass the witness,
12	Your Honor.
13	THE COURT: Thank you.
14	Ms. Brooks.
15	MS. BROOKS: Yes, thank you, Your
16	Honor.
17	CROSS-EXAMINATION
18	BY MS. BROOKS:
19	Q. Dr. Jones, you're back here
20	because Parallel Networks has the burden of
21	proof in this case; is that right?
22	A. That's my understanding.
23	Q. And so as the plaintiff with the
24	burden of proof, they get the last word on the

1 subject; is that right? 2 That's my understanding, yes. 3 All right. Now, just to be clear, Q. 4 you're the same Dr. Jones who testified earlier 5 in the case; right? 6 A. Yes. 7 And the same gentleman that has 0. 8 worked five times, all for plaintiffs, for this 9 law firm of McKool Smith; is that right? 10 A. I have worked for defendants for 11 them as well. 12 Q. Oh, really? 13 Α. Yes. 14 Okay. I thought you told us the 15 first time you were here that it was all for Plaintiffs? 16 17 A. At trial, but I've worked for defendants at well. 18 19 Q. Okay. Thank You. So let's be 20 specific here. At trial on multiple occasions 21 you sat before a jury like this jury and said 22 that there was infringement and you said it on 23 behalf of the same law firm, right? 24 Α. Yes.

1	Q. All right. Now, in this case
2	there's been a lot of talk about expert reports
3	and you know the purpose of expert reports,
4	don't you, sir?
5	A. Yes.
6	Q. That's to give the party, both
7	parties, especially the opposing party notice of
8	what you're going to say, right?
9	A. Yes.
10	Q. So we're not surprised by it, is
11	that fair?
12	A. That's fair.
13	Q. Now, in this case, because
14	Parallel Networks has the burden of proof, you
15	filed the first report on infringement, did you
16	not?
17	A. Yes.
18	Q. And then Dr. Long filed a
19	non-infringement report, correct?
20	A. Yes.
21	Q. And you received that report, did
22	you not, sir?
23	A. Yes.
24	Q. And you reviewed it, correct?

1 Yes. Α. 2 Q. And you were free to file a 3 rebuttal report to Dr. Long's non-infringement 4 report, weren't you, sir? 5 Α. I may have been. I don't know one 6 way or the other. 7 But you didn't, did you? 8 Α. No. 9 So the first time that we get to Q. 10 hear what you had to say in rebuttal to 11 Dr. Long's report is today from the witness 12 stand; is that right? 13 Α. No. 14 Well, you never filed a report on 15 it, did you, sir? That's correct. 16 17 Q. Now, you mentioned -- well, just 18 tick off everything very quickly if we could. 19 You said that Microsoft made no arguments 20 regarding non-infringement as to the dependent 21 claims, starting with the '554 Patent, Claims 41 22 and 49. Do you remember saying that, sir? 23 I -- to that effect, yes. What I 24 said was no argument specific to those

1 limitations. 2 Q. But you understand, sir, that the 3 law says if there's no infringement of the 4 independent claims, as a matter of law, one does 5 not infringe the dependent claims, correct? 6 Α. Absolutely. 7 So that would apply to Claims 41 0. and 49 of the '554, correct? 8 9 Α. Yes. 10 And it would apply to dependent 11 Claim 78 of the '335, correct? 12 Α. Yes. 13 You said that in rebuttal you 14 believe that the claims do require a single 15 request. Did I hear that right, sir? 16 Α. Yes. 17 You concede that? Q. 18 I said that all along. 19 And you were here in court when 20 Mr. Alam, who worked for years on the IIS 21 Pipeline, he and his team worked for years, was 22 asked, so at this point in -- point in the 23 client transaction, and we were talking about 24 the request in the Pipeline, do you have a

1 single request going on or do you have multiple 2 requests? His answer was, we clearly have 3 multiple requests. You heard him say that under 4 oath from the witness stand, correct, sir? 5 Α. Yes. 6 And then you were here when 7 Dr. David Maltz testified, correct? 8 Α. I was. 9 And you heard Dr. Maltz, how he Q. 10 and his team who did FrontDoor version 1 and 11 FrontDoor version 2, which are part of the 12 structure of Microsoft and Bing, he was asked 13 this question, and the request that comes out of 14 FrontDoor version 2 -- is the request that comes 15 out of FrontDoor version 2 the same as the 16 request that came into FrontDoor version 2? 17 Answer, no, it is not. Question, and you can 18 tell that just by comparing pages 26 and 27 of 19 DX 139? And his answer was yes, I can. 20 Correct, sir? 21 Α. Yes. 22 Now, let's move on to your 23 argument about intercepting. You said you followed the Court's claim construction on 24

1 intercepting and the Court's constructions --2 let's put it in the context of the language in 3 the claim. It says intercepting said request at 4 said web server, routing said request from said 5 web server to a dispatcher. Do I read that right, sir? 6 7 Α. Yes. That's the claim term. And the 8 9 definition is that means to divert the handling 10 of the request before the request is processed 11 by the web server or the HTTP-compliant device, 12 correct? 13 Α. Yes. 14 And in the case of intercepting, 15 sir, I asked you, in the IIS Pipeline what the 16 map handler did, and that's before it was 17 intercepted, the request was intercepted, right, 18 and you didn't know, correct? 19 That's right, yes. 20 And then I asked you what the 21 pre-execute handler in the Pipeline, the IIS 22 Pipeline did, and that's before the request was 23 intercepted and you said you didn't know, 24 correct?

1 That's correct. Α. 2 And the word, they have the word Q. 3 handler in their module, correct? 4 Α. Yes. 5 Q. And the Court's construction says 6 that you have to divert the request before it's 7 handled, correct? 8 No. That's not what it says at 9 all. 10 I'm sorry. I thought it said Q. 11 diverting the handling of said request before --12 does the word before appear in the Court's 13 construction? 14 Α. Absolutely. 15 Before the request is processed by 16 the web server slash HTTP-compliant device. 17 that the Court's construction, sir? 18 A. Yes. 19 And you heard Dr. Alam talk about 20 all the handling that went on, even though you 21 didn't know what the handlers did, you heard him 22 talk at length about all of the handling of the 23 requests that went on and the processing of the 24 requests that went on in the IIS Pipeline before

1 that request was diverted, did you not, sir? 2 Α. Yes. 3 And you heard Dr. Maltz talk about 4 all of the handling and processing of the 5 request that was -- that went on in FrontDoor 6 version 1 and 2 before that request was 7 diverted, correct, sir? 8 Α. Yes. 9 And lastly, let's talk about Q. 10 releasing. So releasing talks about releasing 11 the web server to process another request, 12 correct? 13 Α. Yes. 14 And the way that occurs in the 15 claim is that the page server receives the 16 request. So now the request has gotten all the 17 way to the page server and once that happens 18 releasing said web server to process another 19 request; is that right, sir? 20 Α. Yes. 21 And you were here again when Mr. 22 Alam testified? 23 MR. BOVENKAMP: Objection, Your 24 Honor. Argument in this slide.

1 THE COURT: Just a moment. MS. BROOKS: Let me take off the 2 3 title. There we go. This is for closing, so 4 I'll keep it non argumentative for now. 5 BY MS. BROOKS: 6 So you were here when Mr. Alam 7 testified that that first request that came in, 8 what he called the original raw request, that it 9 stayed at HTTP.sys, correct? 10 A. Yes. 11 And you were also here when he 12 testified that that second request, what he 13 called the cooked request, stayed at the execute 14 handler, correct? 15 Yes. And he said that it was not freed 16 17 from the execute handler until the response --18 it meaning that part of the web server, was not 19 free to process another request until the 20 response had been received to free up that 21 memory and make it available again, correct, 22 sir? 23 I don't think that's a correct 24 interpretation of what he said, no.

1 He said what the ladies and 2 gentlemen can see on the screen, correct, sir? 3 Α. Yes. 4 And you, sir, were also asked this 5 series of questions and answers. Question, and while it, meaning the request, is sitting in the 6 7 execute handler, it is actually taking up 8 memory, correct? And you said correct? 9 Α. Yes. 10 And so the memory is not released 11 or freed until after the response comes back, 12 correct? And you answered correct? 13 Α. Yes. 14 And as a result of that, is it 15 true, sir, that that memory or a resource that 16 is being held up or taken up until the client 17 transaction is fully processed and the response 18 comes back? And your answer was yes, correct, 19 sir? 20 Α. Yes. 21 Now, lastly, sir, if the jury 22 decides they agree with you, it's a single 23 request, but that there is no releasing, is 24 there still no infringement?

1	A. That's correct.
2	Q. If the jury decides they agree
3	with you that it's a single request and there is
4	releasing, but there's no intercepting, is there
5	still no infringement?
6	A. That's correct.
7	Q. And so in other words, we don't
8	have to show that there are three limitations
9	that are not met in the accused products, all we
10	have to show is that just one limitation is not
11	met for there to be no infringement; is that
12	right, sir?
13	A. Yeah.
14	MS. BROOKS: Thank you. No
15	further questions, Your Honor.
16	THE COURT: All right. Any
17	redirect, Mr. Bovenkamp?
18	MR. BOVENKAMP: Briefly, Your
19	Honor.
20	BY MR. BOVENKAMP:
21	Q. How many limitations for Claim 20
22	have you shown are met?
23	A. Each and every limitation.
24	Q. How many limitations of Claim 43

1 have you shown are met? Each and every limitation. 2 3 You were asked about not knowing Q. 4 certain things about some of the handlers 5 letters in the IIS Pipeline. Why is that? Well, I certainly covered them in 6 7 my report, but those handlers are not 8 dynamically generated at the web page. 9 happens is the handling gets diverted and that 10 handling, the specifics of it don't matter, it's 11 being diverted to the page server for the 12 dynamic generation of the web page. 13 Ο. Even if Mr. Alam is correct about 14 memory being held, even if Microsoft's counsel 15 is correct in her characterization of your 16 testimony with regards to memory being held, 17 does that matter? 18 No. The web server, just because 19 a connection is held, Mr. Long says that even if

A. No. The web server, just because a connection is held, Mr. Long says that even if a connection is held, the web server is still free to process other requests. What's being freed is the hardware resources. Any web server is going to hold the connection to the client. That's true for web servers back in the early

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1
       1990s through today. What's being freed in this
       architecture in these claims and in the
 2
 3
       Microsoft Bing and MSN systems is the processor,
 4
       the processor is being freed up of the load,
 5
       which the vast majority of the load is
 6
       generating a dynamic web page.
                                         That's
 7
       happening at the page server, so we have a page
8
       server end point freeing up the web server or
 9
       the computer with FrontDoor on it to process
10
       other requests.
11
                     MR. BOVENKAMP: Thank you,
12
       Dr. Jones. I have no further questions.
13
                     THE COURT: All right. Thank you
14
       Dr. Jones. You can step down. Mr. Cawley or
15
       Mr. Bovenkamp, any other witnesses?
16
                     MR. BOVENKAMP: Your Honor, we
17
       have no other witnesses to call. We rest.
18
                     THE COURT: All right.
                                             As I
19
       mentioned to you before, ladies and gentlemen of
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       the jury, those words have legal significance
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       and I have to talk to the lawyers now for a few
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       minutes. So we'll go ahead and ask you to step
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       out. Bring you right back in as soon as we can.
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       Thanks.
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1	(Jury exits.)
2	THE COURT: Okay. Please be
3	seated.
4	Any applications?
5	MS. BROOKS: Your Honor, we would
6	once again renew our motion for judgment as a
7	matter of law on the same grounds that we made
8	at the end of plaintiff's case and the end of
9	our case.
10	THE COURT: All right. I presume
11	the arguments in rebuttal would be the same.
12	MR. BOVENKAMP: The arguments in
13	rebuttal are the same.
14	THE COURT: All right. Everyone
15	has made their record. The motion is denied.
16	MR. BOVENKAMP: We would also
17	urge, for the same reasons that Mr. Campbell
18	expressed, our motions with regard to judgment
19	as a matter of law.
20	THE COURT: I presume the rebuttal
21	would be the same on that front?
22	MS. BROOKS: Yes, Your Honor.
23	THE COURT: Everybody has made
24	their record. The motion is denied.

1	Okay. Housekeeping. What do we
2	need to do before we, if anything, before we're
3	ready to get going with closings, because my
4	intention is to sort of run it straight through
5	if we can, depending on how long things take.
6	Mr. Cawley.
7	MR. CAWLEY: We have to set up a
8	separate monitor here, Your Honor. That will
9	take about two minutes. That's the only
10	mechanical thing we need to do.
11	I would estimate for the Court's
12	timing purposes, the total of our first session
13	of closing and our rebuttal of closing is
14	probably forty-five to fifty minutes.
15	THE COURT: That's good, because
16	based on your timing today, you're pretty close.
17	I appreciate that estimate. I think it will be
18	okay to stay within that.
19	Ms. Brooks.
20	MS. BROOKS: We have I think we
21	probably have about seven hours in, so we
22	probably have two hours. The good news, Your
23	Honor, I'll be surprised if I go an hour. I
24	would say at least an hour, though.

1 THE COURT: All right. Then the 2 only thing I think I need from you folks is, at 3 some point I had asked for the corrected 4 preliminary instructions. I see Ms. Fiorelli 5 for Microsoft nodding, Mr. Campbell is nodding his head on the Parallel Networks side. 6 7 If I could ask you folks to do 8 this for me, to produce the copy that you're 9 comfortable with, I'm just going to send one 10 copy of both the preliminary and the final 11 instructions back to the jury when I'm done, so 12 if you will produce for me what based on the 13 rulings we have had, what you both sides are 14 comfortable, that's the right copy, that's the 15 clean copy of both, that's what I'll make sure 16 that the courtroom deputy hands to them when I 17 finish. Okay? 18 And just for everybody's 19 information, when I instruct the jury, I close 20 the courtroom. This doesn't mean I throw people 21 out, it means if you want to leave, you leave 22 before I start the instructions, because once I 23 start, nobody is coming in and nobody is going 24 out.

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1
                           Thanks very much.
                     Okay.
                                                If I
 2
       give you folks ten minutes, is that going to be
 3
       sufficient?
 4
                     MR. CAWLEY: Yes, Your Honor.
 5
       Thank you.
 6
                     MS. BROOKS: Thank you.
7
                     THE COURT: I'll see you back here
8
       in ten.
9
                     (A brief recess was taken.)
10
                     THE COURT: Thanks. Be seated.
11
                     Mr. Cawley, are you ready?
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                     MR. CAWLEY: Yes, Your Honor.
13
                     THE COURT: All right. Go ahead
14
       and we'll have the jury in.
15
                     Counsel, may I ask you a question.
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       The only difference in the jury instructions,
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       the two versions that we were dealing with this
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       morning was the inclusion of the different claim
19
       construction, am I right about that,
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       Mr. Campbell?
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                     MR. CAMPBELL: I believe that is
22
       correct, Your Honor.
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                     THE COURT: Thanks.
24
                     Ms. Hufnal?
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1 MS. HUFNAL: Yes. 2 THE COURT: Okay. 3 (Jury entering the courtroom at 4 10:00 a.m.) 5 THE COURT: Let's be seated. 6 Ladies and gentlemen of the jury, both sides 7 have had an opportunity to present their 8 evidence, both sides have represented. Let me 9 give you a quick overview of what's going to 10 happen now. 11 We have reached the point where 12 there will be closing arguments. Because the 13 plaintiff, Parallel Networks, has the burden of 14 proof, they'll have an opportunity to speak 15 first, and the opportunity to speak last. And 16 in between, Microsoft will have the opportunity 17 to present its closing argument. 18 When the arguments are done, 19 depending on how long they take, we'll take just 20 a really short break, because the expectation 21 from speaking with the lawyers, and everybody is 22 trying to be as efficient as possible with your 23 time, but it will probably take both arguments 24 together all said and done approximately two

1 hours, maybe a little less, maybe a little more, 2 but everybody is ballparking here. 3 Take a short break, and then I will instruct you on the law, and then the case 4 5 will be yours. 6 This isn't really the most 7 generous offer you'll ever hear, but we're going 8 to give you lunch for your several days here. 9 But we'll have lunch ready for you so that 10 you'll be able to -- you won't need to go out 11 while you're deliberating. And that's how 12 things will proceed from this point. Okay? 13 So, without further adeo, 14 Mr. Cawley, your closing. 15 MR. CAWLEY: Thank you, Your 16 Honor. 17 This is a case of a man who 18 invented a way to help the internet work better. 19 He got a patent on his invention, and Microsoft 20 uses those patents without permission and 21 refuses to pay fair value. 22 Three days ago you met Mr. Keith 23 Lowery. You learned about how Mr. Lowery came 24 through a series of unfortunate accidents to

1 discover that he had a natural talent for 2 programing computers. He used that talent over 3 the next ten years or so to get better and 4 better jobs and contribute more and more to the 5 field of computer networking. It's interesting, and you may have 6 7 noticed it that of all of the people you heard 8 testify in this trial, all of the computer 9 scientists, all of the people who were experts, 10 Mr. Lowery is the only one who doesn't have a 11 formal education. And you may wonder, as well as I 12 13 have over the time that I have known him, I 14 wonder if it was really his lack of formal 15 education that enabled him to see ideas and 16 solutions to problems that the so-called experts 17 in the field who had the Ph.D.s and had the 18 master degrees didn't see, at least not as early 19 as Mr. Lowery did. 20 You heard him explain when he 21 stepped down to the whiteboard and built this 22 high-level diagram what he saw when he 23 downloaded in his home office back in the early

'90s the specification for how the internet

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works. And remember he said that he did a little experiment himself, just a single web page that when it was delivered would say Hello World, but once he got it to work and saw Hello World, he was confident that his reading had put him in a position to understand how the internet worked. And he as a result of some companies raising large amounts of money in the stock market based on their internet presence, he changed his initial skepticism and came to believe that there would be a huge future for doing business on the internet. But you'll remember that almost as soon as he finished the little experiment in his home office, he saw a problem. And the problem was here in the web server. Remember he explained that the way the internet worked was that the web client, like a computer in someone's home, would make a request to the web server and the web server would find the right page and send it back. You'll also remember him testifying, though, that this put tremendous

demands on the web server. It wasn't that bad

in the mid '90s when there was only a handful of people on the internet, but the future that

Mr. Lowery saw is it wouldn't be a few people,

it would be thousands and even for some websites

millions of people all making demands on the web

server.

So he conceived of the idea of instead of relying for all of that work to be done here, to assemble a whole network of smaller computers that he called the page server to handle the load.

But that wasn't a complete solution. Because as this network of smaller computers grew to more and more, then the likelihood that some of those computers would be down, broken, have other technical problems would get greater and greater, and there would be a lot of inefficiency from not knowing what was going on with these computers and not knowing which one of them could most efficiently handle requests from the web server. So the next part of the invention was to create what he called a dispatcher, the brain of his system.

The way it would work then would

be that the web client would send the request to the web server, the dispatcher would know what was going on in terms of who was -- which one of these computers was online, who was busy, who was broken, who had time available, then the dispatcher would send the request to the page server that could most efficiently handle it, and the page server if it needed to go outside to get a data source, the page server after it built the web page would deliver it back to the web server which would deliver it to the web client. This was an efficient new idea to make web servers and the internet work better.

This primitive diagram that

Mr. Lowery put together was put into more formal
and more organized form in this drawing, figure
4 of the patents.

You see here the web client, the web server, the dispatcher, the page servers, and the data source. Remarkably enough, the witnesses who testified in this case on behalf of Microsoft, once you piece together their testimony, have testified that the system that they use works just like this. They take a

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request from the web client, it goes to a web server, it gets forwarded to not -- they don't call it a dispatcher, instead they call it an application server load balancer. But quess what it does? It takes what Microsoft calls the health of these smaller computers in a network, in other words, it determines who is down, who is busy, what's going on, it knows that, and the Microsoft system, it ranks these by numbering system according to how busy and available they are and their load balancer, their application server load balancer choses which is the most efficient application server to send the request It's the same thing that Mr. Lowery's invention does. You have heard that the patent office spent several years studying Mr. Lowery's invention and concluded after that time that it was new, that it was not obvious, and that it was useful. Therefore, they awarded Mr. Lowery the two patents in this lawsuit. You know, I had an opportunity personally a few years ago to serve on a jury. It wasn't a case nearly as complicated as this

one, but it was a wonderful experience and I hope your experience will be the same. In fact, some of us still keep up with each other who met on that jury years ago.

But one of the things we discovered was that it was a little odd during the course of the trial when we were around other jurors and the only thing we had in common with them, the judge had told us we couldn't talk about.

So once the time came that the deliberations began and the judge told us we were free to discuss the case, we had a lot of things we wanted to discuss. We wanted to talk about the evidence. We wanted to talk about the exhibits. We wanted to talk about the lawyers. And it was kind of exciting to do that after all that time had gone by when the judge had told us we shouldn't be doing that.

But as we had those discussions, what we eventually discovered was that even though there was a lot of evidence and a lot of pieces of paper, it really all boiled down to a few simple questions. And once we were able to

1 identify those questions, we were then able to 2 go fairly quickly through the evidence and 3 answer those key questions. 4 Ladies and gentlemen, I think 5 after you have an opportunity to discuss this 6 case, you may find that the key questions that 7 you have to answer in this deliberation are does Microsoft infringe? Was Microsoft's 8 9 infringement willful? And what are the damages? 10 The first one we'll turn our attention to is does Microsoft infringe? 11 now, let me emphasize something at this point. 12 13 The discussion that I have had with you so far where I showed you diagram 4, remember, and 14 15 showed you how Microsoft's own witnesses 16 testified that they use the same thing as 17 Mr. Lowery's invention as his idea, but we 18 freely admit, Parallel Networks freely admits, 19 that's not good enough to prove this case to 20 We can't simply say at a high level that 21 Microsoft uses the idea. We have to get down 22 into the details, the details you remember that 23 are the paragraphs, the numbered paragraphs in 24 the patents called claims. And we must show you

1 proof that Microsoft does everything that is 2 written in the paragraphs that we're talking 3 about in this case. 4 That's why we put Dr. Jones on the 5 That's why he spent more than an hour 6 going in detail piece by piece through those 7 paragraphs and showing you the evidence that 8 proved that what Microsoft does is what's 9 described in those paragraphs. 10 What we would like to do now is to 11 drill down into that level of detail, to remind 12 you of the evidence that you have heard that 13 shows that Microsoft infringes. And to do that, 14 I would like to turn this argument over to 15 Mr. Chris Bovenkamp. 16 MR. BOVENKAMP: Thank you.

MR. BOVENKAMP: Thank you. And thank you for being here. The question as Mr. Cawley said that we're first going to address is whether or not Microsoft infringes. And who did you hear from? You heard from Dr. Mark Jones, a professor at Virginia Tech. You heard about what Dr. Jones did when he was hired early in the case, the work he performed, the analysis he went through, his careful study

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1 of the patents. You heard that Dr. Jones was the 2 3 only expert that traveled to Microsoft's 4 lawyer's offices to look at the source code used 5 by the FrontDoor systems. Source code, if you 6 remember, is what specifically defines how the 7 system works. Dr. Long didn't do so. No one 8 did so but Dr. Jones in this case. 9 Dr. Jones outlined for you right 10 at the start kind of like Mr. Lowery did an 11 overview of how the Bing and MSN system 12 architectures worked. 13 He focused his analysis like 14 Mr. Lowery on that important component, 15 This as you application server load balancer. 16 heard was the brains, the intelligence of the 17 Microsoft system. 18 Now, I find it interesting that 19 even though Mr. Lowery talked a lot about the 20 dispatcher and its importance in distributing 21 things to the page servers, that Dr. Jones 22 talked about the application server load 23 balancer and its importance in distributing 24 requests to Microsoft application servers,

1 Microsoft didn't talk about it as much. They 2 wanted to talk about other things. 3 You saw no evidence that 4 Microsoft's application load balancer doesn't 5 intelligently do exactly what the patent describes because it does. 6 7 Dr. Jones didn't stop at an 8 overview of their system. He described exactly 9 how Bing and MSN work. He first went through 10 claim 43 element by element, highlighted them 11 when they were met, step by step, provided for 12 you some of the evidence that he relied upon. 13 He next went through claim 20 and 14 did the same thing, highlighting the elements 15 that were met, detailing exactly where each one 16 of these things was present. I think of the road in this trial 17 18 as a road, and as Mr. Cawley stated, part of 19 that for Parallel Networks, part of that for 20 Mr. Lowery is fair value for the patents. And 21 this trial is part of the road that he and 22 Mr. Fokas and Parallel Networks and its 23 investors and everyone associated with that 24 company from its start back in 1995 have worked

1 And part of that road is our proof of on. 2 infringement that Dr. Jones provided. Part of 3 that road you'll hear a little bit later is the 4 benefits that the technology brought to the 5 internet and what its value is. But on that road, Microsoft has 6 7 put some stop signs, some impediments, some 8 excuses that have been raised here in court. 9 One is that they don't infringe, and it's not 10 just one, it's multiple. We heard that there is 11 not, but one excuse that they have, there is no 12 request, there is not two, just two, they also 13 say there is no intercepting. 14 They also say there is a third 15 reason, there is no releasing. In the course of 16 this trial there may have been more things that 17 they threw out there. 18 It's an excuse. And it's your job 19 to look at the evidence and figure out what the 20 merit of that excuse is. And we'll submit to 21 you that there isn't much. 22 Now, I know that coming into this 23 case none of you were patent law experts and 24 probably hadn't built the systems that the

1 Microsoft engineers or Mr. Lowery had built. 2 But I think that's okay, because you have 3 something that's more important, you have common 4 sense. You have your experience and background. 5 And you'll hear an instruction from the Court after we're all done here today after the 6 7 lawyers are all done talking that you as the 8 expression goes don't have to leave that at the 9 door. 10 I think that's why juries are so 11 You have been able to listen to the valuable. 12 witnesses. You have been able to look at the 13 evidence. And you're going to be able to do 14 that in more detail when you retire, when you go 15 back to the jury room and look at the evidence 16 and talk amongst yourselves about what this case 17

is all about.

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I think in this case common sense is particularly important because Microsoft has raised a lot of issues. There is a lot of technical things they have thrown at you. think when it gets down to it, there is some pretty simple explanations for what's going on, and pretty simple reasons why the claims that

1 Dr. Jones went through are met. 2 Let me talk about one right up 3 Ravikumar Arunachalam, you heard from front. 4 Dr. Jones that the person that was most 5 knowledgeable about the FrontDoor system is 6 Mr. Arunachalam. His name, his documents, his 7 testimony was everywhere in this case. 8 listened to a video, it was a little long, it 9 was a little slow perhaps, but Parallel Networks 10 is the one that played that for you because he 11 couldn't be here. I wish he could have been 12 here so we could have heard from him directly, 13 but he wasn't. Instead, Microsoft brought other witnesses whose depth of knowledge about what 14 15 was important in this case was nowhere near what 16 his was. You heard from Mr. Griffin. 17 Не 18 had some knowledge back in 1996 about Bing and 19 MSN, but he wasn't involved with it today and 20 hasn't been for a long time. 21 You heard from Dr. Maltz, 22 certainly highly intelligent, but his depth of 23 knowledge was not that of Mr. Arunachalam, who 24 was the project lead for application server load

1 balancers, the intelligent brains of the system. You heard from Mr. Alam. 2 3 Mr. Campbell questioned Mr. Alam, he repeatedly 4 backed off and disclaimed any specific knowledge 5 about how Bing and MSN worked. If you carefully 6 listened to his testimony, much of it was 7 theoretical. Well, this is how IIS may have 8 worked if it was implemented like it may have 9 been in FrontDoor or Bing. He didn't work on 10 FrontDoor or Bing. Mr. Arunachalam did. 11 It's common sense. Who was the important witness, that's part of your job as a 12 13 jury, who should you listen to. 14 Let's turn now to the three 15 noninfringement arguments, the three excuses 16 Microsoft has made in this case for why it 17 doesn't infringe. 18 First involves requests. You 19 heard Dr. Jones today say he agrees, there has 20 got to be a single request, this is where one of 21 these common sense decisions comes into play. 22 Look at what the Court's claim 23 construction is for that term. And that's going 24 to be important throughout, because the Court

1 has provided you, has provided the lawyers 2 explanation for what these terms mean. 3 Request is defined as a message 4 that ask for a web page. What generates that It's the client. What did 5 message? 6 Mr. Arunachalam say about the request? He said 7 that it comes to the front of V2, that the 8 request is then forwarded to V1 of FrontDoor, 9 then FrontDoor version 1 forwards it to Bing in 10 its partner endpoints. 11 Now, if you're keeping track of 12 the times that forward was used in this case, 13 you would have lost count. You would have given 14 up. It was used everywhere. Used in the 15 documents that Microsoft used to describe how 16 its system worked. It was used by its witnesses 17 in testimony that was taken before this trial 18 started. 19 And what's the significance of 20 forward? We know how e-mail works. When you 21 forward an e-mail, you don't start from scratch, 22 you take what was received and you send that on. 23 There may be some things added, but it doesn't 24 change the fact that what's included in that

1 original e-mail, or what's included in the 2 forwarded e-mail was the original e-mail. 3 Another point of common sense. 4 You probably heard enough about pizza. 5 sense we didn't choose that, that happened to be 6 the example that Microsoft used in its own 7 documents as the query, but again, think about 8 the testimony. A user sends a request, a search 9 for pizza. That message doesn't change. 10 doesn't change into a request for hamburgers, it 11 doesn't change into a request for chocolates, it 12 doesn't change into anything else. 13 Is there things added to it? 14 But that doesn't change the fact that Sure. 15 it's a pizza request. 16 You heard testimony about raw versus cooked. If you have a raw potato and you 17 18 cook it, it's still a potato. You have raw 19 tomatoes, you cook them, they're still tomatoes. 20 It doesn't change the fact, the essence of what 21 it is. That's what happens in the Bing and MSN 22 system, they take the user request and they do 23 exactly what the claim requires. They intercept 24 it, they route it or transfer it, they process

1 it, they use it to return a web page. It's 2 common sense. 3 Dr. Maltz said exactly that. I 4 asked him, and we have it again, correct, 5 search? Q=pizza. If you remember, that was the specific thing, or at least one of the specific 6 7 things that was included both from the client to 8 FrontDoor and FrontDoor to the application 9 servers. 10 I asked him, that was exactly what 11 was in the original request; correct? 12 answer, yes. 13 Microsoft's first excuse has no 14 Their second excuse, we don't intercept. merit. 15 There has been a lot of talk about diverting and 16 handling and processing. Again, the Court's 17 claim construction is very simple, the language 18 is very simple, if you just read through it in 19 the order that the Court provided to you. 20 The first part of it is diverting 21 the handling. It doesn't say diverting before 22 handling. It says diverting the handling. 23 Where does it take place? At the 24 web server. Where does it have to be diverted

before? This is the key, think about what

Mr. Lowery said was the problem he was solving,

the problem he was solving is everything was

being done in the web server. The key was

off-loading that request, intercepting, sending

it somewhere before that web server dynamically

generated a web page.

This is exactly what Microsoft does. Mr. Arunachalam testified clearly that what happens is the request comes in, once it receives a request, FDV2, it forwards it, the request, to the module.

You heard from Dr. Long when he testified, that it was his opinion that there — that there can be handling before the request. He referenced a — when I asked him and followed up, he mentioned that, well, there is this issue about whether there is a little processing or a significant amount of processing or a little handling or a significant amount of handling, and there was a little back and forth about that. And there has been a lot of back and forth about that between all of the witnesses.

When it came down it to, and I

1 asked him the question, Dr. Long, is there any 2 reference to a little amount of handling or a 3 significant amount of handling explicitly in 4 that construction, the construction I was given 5 by the Court? What did he say, in that 6 construction, that is correct, there is not. 7 There is not. There is no requirement present. 8 Another piece of evidence that I 9 think is relevant to this are two numbers taken 10 from Plaintiff's Exhibit 642, this was a 11 scorecard giving kind of an overview of what's 12 happening in Bing and Plaintiff's Exhibit 654, 13 this is a document that Mr. Bone relied upon in 14 doing his damages analysis. The first is the 15 amount of page load time overall for a Bing 16 request. 17 Now, Microsoft wants to suggest 18 that what's done at FrontDoor, what's done at 19 the web servers is significant and an amazing 20 amount of work, but look at what their own 21 documents show the time is that's taken in 22 FrontDoor compared to the whole page load time. 23 Look at what it says. 1,043, this was in 24 milliseconds, those are thousands of a second.

1 That's a little over one second on average 2 during that month for a page to load. 3 Look at what Microsoft has said 4 about the time it takes FrontDoor to do its 5 processing, processing that Dr. Bone identified 6 as related to load balancing. These are various 7 measurements and goals, but they're all the 8 same, 43, 45, 44 milliseconds. Compare those 9 two numbers. There is a lot of processing 10 that's taking place somewhere else. And we would submit to you where 11 12 that processing is taking place is not at 13 FrontDoor, the numbers don't lie, it's at the 14 page server. 15 Again, common sense, look at 16 Plaintiff's Exhibit 763, it's undisputed that 17 this is for search a description of all of the 18 computers that are at these application server 19 endpoints. There is a lot of processing that's 20 going on in there. 21 If you had a question, let's talk 22 to Mr. Arunachalam. Where does the request go 23 for the dynamic content, the thing that you 24 heard Dr. Jones talk about takes the most

1 processing time. Where does it go? It goes to 2 the Bing endpoints. Microsoft's second excuse 3 has no merit. 4 Let's to go their third excuse. 5 They say there is no releasing of the web 6 server. The Court construed this term very 7 specifically, releasing said web server to 8 process other requests or releasing HTTP to 9 process other requests, it means freeing the web 10 server to process other requests. 11 It's pretty simple when it comes 12 down to it. What was the point of this? 13 the point was that you can't do everything at 14 the web server. And so let's send the work from 15 the web server, off-load it to something else. 16 So we have a little depiction of what was going 17 on. 18 If you have a web server that's 19 handling requests, the question is when you send 20 the request to a page server, when a page server 21 receives a request, does it free resources? 22 Now, there is a lot of debate 23 about memory. You're going to hear Microsoft's 24 counsel talk about memory being held and threads

1 being held and connections being held, and we 2 may disagree about their characterizations of 3 that, but you don't even have to go there. 4 Because there is something even more important 5 of a resource that's freed by sending the 6 request from the web server to the page server, 7 it's processor cycles. Think about when you're 8 going to buy a computer which is accused of 9 being the web server in this case, what are the 10 resources that are advertised? Processor speed. 11 It's the number of gigahertz or it's memory, 12 it's processor speed. Those are the things. 13 Processor speed is just as much a 14 resource of the web server as memory as 15 connection. 16 So what happens when the web 17 server decides to send a request to the page server? Well, the page server receives it, and 18 19 common sense, the web server is going to be free 20 to do more. 21 The next one gets sent, the same 22 thing happens. We now have a second server 23 handling some of the requests, the dynamic 24 processing, the web server can handle more.

Another one is off-loaded. What happens? The web server can handle more. It's not that complicated, freeing the web server to process other requests is just what the Court said it means. If processor cycles are freed, which it's undisputed they are, no one contradicted that fact, then this limitation is met.

This about the number of requests that are going to Microsoft's FrontDoor servers every month. Plaintiff's Exhibit 642 showed you the number for a month that that system has to process. Three billion plus. This wasn't something odd, it wasn't because it had to be a Super Bowl or some big event or something, this is a regular occurrence. Every month Bing has to process at least, maybe more, three billion requests.

If that was being done by one server, what would happen to that system? Well, we know what Microsoft did, they created

FrontDoor to be a server that intelligently routed things to back end processing like what's shown in Plaintiff's 763. That's why they have all these computers. They're not there because

they look pretty, they're not there because

Microsoft just, you know, well maybe we should

put a whole bunch of computers together, they're

there to serve a purpose. They're there to

off-load processing from the web servers so the

web servers can do more.

Those are the three arguments, the three excuses that Microsoft is making. Each of those we believe has no merit.

When you go back to deliberate,
you are going to be provided something like
this. You are going to be asked to consider the
evidence, and we hope you do so carefully, take
your time, think about it.

Ultimately you're going to be asked to decide whether there is infringement and the very first question is just that. Is there infringement? We believe that if you consider all of the evidence -- and that's what we want you to do, we want you to consider everything. If you consider the evidence and you find that we have proven by preponderance of the evidence that Microsoft directly infringes these claims, that Bing and MSN do what

1 Dr. Jones says it does, that you should check 2 yes for Claim 20, Claim 2 21 and Claim 49 of the 3 '554 Patent and Claim 34 and 78 of the '335 4 Patent. So that's a first step in this road 5 that we're walking down. It's the first that 6 Mr. Cawley said that you're going to need to 7 talk about when you go back to the jury room. 8 What's the second question? 9 second question that you need to answer if you 10 find that Microsoft infringes is was Microsoft's infringement willful? Who did we here from on 11 12 this topic? Well, we heard from Terry Fokas and 13 Terry Fokas has been involved with Parallel 14 Networks and its predecessors epicRealm and 15 InfoSpinner for a long time. And I remember a 16 lot of things about Terry Fokas' testimony. 17 Most important thing that I remember is that he 18 believe in Keith Lowery. He met Keith, he got 19 to know him, became a friend with him and he 20 believed that not only was Keith a good guy, he 21 was a genius. And he followed his vision and he 22 put his own money on the line for that vision. 23 Now, you also heard from Mr. Fokas 24 that he's a lawyer. I I hope you don't hold

1 that against him. You heard a lot back and 2 forth about what happened in all these lawsuits 3 that were filed and there's argument about when 4 this was filed and when that was filed. 5 largely that doesn't have relevance frankly to 6 this case, but what does have relevant to this 7 case is that Mr. Fokas told Microsoft that they infringed. And he told them why they infringed. 8 9 And Mr. Fokas, before this lawsuit was even 10 filed, wanted to enter into a deal with 11 Microsoft so that they could make use of Mr. 12 Lowery's invention, to help the internet run 13 better, to help their systems run better. 14 unfortunately he was unsuccessful and 15 unfortunately we're here today, but that's what 16 happened. 17 Now, Microsoft has an excuse here You haven't heard much from Microsoft on 18 19 this, but it's still there. You may hear that 20 there's principles involved or this or that. 21 You're going to hear argument that they were not 22 willful, but what you didn't hear was any 23 Microsoft witness tell you what they were 24 thinking after Mr. Fokas told them that they

1 were infringing. And why? They brought 2 engineers to testify, Mr. Griffin, Mr. Alam, 3 Dr. Maltz. They didn't say anything about what 4 Microsoft was thinking in 2012 when Mr. Fokas 5 told them they were infringing. You heard from 6 no one. Why? The only evidence that was put on 7 was what Mr. Fokas did and a lack of response 8 from Microsoft. 9 The second question you're going 10 to be asked to answer is whether there's willful 11 infringement. And if you consider the evidence 12 and we think there's Mr. Fokas on our side and 13 little, if any, on Microsoft's side, then you 14 should write into this space, yes. Parallel 15 Networks has proven by a preponderance of the 16 evidence that Microsoft's infringement of the 17 Patents-in-Suit was willful. That concludes the 18 first two steps on this road. And hopefully 19 I've addressed the excuses that Microsoft has 20 provided. 21 I'm now going to hand the clicker 22 to Ms. Leah Buratti to talk about the last step. 23 MS. BURATTI: Thank you. Good 24 morning. The last question you'll have to

1	address, what are the damages? You've heard
2	from just one damages expert in this case,
3	Parallel Networks' damages expert, Mr. John
4	Bone. He came to court, he took the stand, he
5	took the oath, and he told you about his careful
6	meticulous analysis to calculate what a
7	reasonable royalty should be in this case that
8	would fairly compensate Parallel Networks for
9	Microsoft's infringements. Mr. Bone also told
10	you about how as part of his analysis he
11	considered the important benefits of the
12	Patents-in-Suit. He considered its reduction in
13	page load time, he considered that it provides
14	better availability and reliability, he told you
15	that he considered that the Patents-in-Suit
16	helped scale and that they bring cost savings.
17	He didn't just tell you about this, he showed
18	you and told you about some examples in
19	Microsoft's own documents that show how
20	Microsoft appreciated these benefits of the
21	Patents-in-Suit. He showed you one of
22	Microsoft's technical documents that discusses
23	the implementation of ASLB, which is the
24	patented Parallel Networks' patented

technology implemented into FrontDoor and he talked about how, as part of that technical document, Microsoft said that it wanted to improve overall system latency or page load time, and he talked about three other benefits that relate directly to reliability and availability.

He also showed you another
example, the Bing score card. That's the second
one we see here. And the Bing score card Mr.
Bone explained that Microsoft thinks that page
load time is so important that it focuses on
every millisecond of page load time savings.

Now, Mr. Bone also told you that these benefits are of particular importance to Microsoft because its web pages are so big and busy. In fact, Bing in 2015 was the sixth busiest website out there. And MSN was the 17th busiest website out there. Now, Mr. Bone told you about all of these benefits and then he explained to you that as part of his calculation of damages in this case he was only able to quantify a minimum amount of those benefits, a minimum amount of damages that related to just

one of those benefits and that was the page load time. And so there's still all of these other benefits out there that Microsoft gets that are not included in this calculation that Mr. Bone has made.

Mr. Bone explained to you that he used a cost approach to calculating that amount of benefit that Microsoft is receiving and he based his damages calculation on that amount.

And he explained that it would be irrational for a company to incur a cost between an infrastructure like this without an expectation of achieving at least that amount in benefits.

And he explained that that amount was \$10.8 million. He also explained that that \$10.8 million is the bare minimum that Microsoft should pay to Parallel Networks as a reasonable royalty in this case.

Now, Microsoft's lawyers are going to come up after me and they're going to tell you, I'm sure a lot of things, but I'm guessing they're going to tell you Microsoft doesn't infringe. I'm guessing they're going to tell you if we infringe, it wasn't willful. And I'm

1 quessing they're going to tell you that if we 2 infringe, \$10.8 million is too much or Mr. Bone 3 got it wrong or there should be no damages here. 4 But here's the thing. Microsoft's lawyers are 5 not damages experts. Microsoft's lawyers did not come into court and take the stand, take the 6 7 oath and tell you that they as experts had 8 calculated the amount of a reasonable royalty in 9 this case. In fact, no one from Microsoft did 10 that. They could have. Microsoft could have 11 brought its own damages expert to come and tell 12 you an amount. They chose not to do that. 13 So when you all go back and begin 14 your deliberations, we ask if you conclude that 15 Microsoft infringes that when you complete the 16 amount of damages to be awarded to Parallel Networks that you award \$10.8 million. 17 18 Now, Microsoft is going to come 19 talk to you again and then after that you'll 20 hear from Mr. Bovenkamp. Thank you. 21 THE COURT: All right. 22 Brooks, closing. 23 MS. BROOKS: Thank you, Your 24 Honor.

1 Good morning. Just to make one 2 thing very clear right up front, I am not here 3 to tell you that -- I am here to tell you we don't infringe. I am not here to tell you if we 4 5 do infringe it's not willful. I'm here to tell 6 you we don't infringe. I'm not here to tell you 7 if we do infringe and even if it's willful \$10.8 million is too much money. I'm not here to tell 8 9 you that because we don't infringe. 10 What I am here to tell you is why 11 we are here. You may have been asking yourself throughout this whole trial, \$10.8 million, yes, 12 13 that's a lot of money, but to be honest, 14 Microsoft is a highly successful company and 15 \$10.8 million, while still a lot of money, could 16 frankly fairly easily be paid by Microsoft to 17 Parallel Networks. And in fact, you heard Mr. 18 Lowery and Mr. Fokas talk about how expensive it 19 is to bring these kind of cases. It's equally, 20 if not more, expensive to defend them. 21 So why are we here? It isn't 22 about the money. It is about the principle. 23 are not willing to pay Parallel Networks one 24 dime for our invention that we spent years on.

1 We started it in 1993. We laid the ground, 2 literally the property, ourselves, started in 3 1993 and began building on that property, our 4 property since then. That was when the MSN 5 project first began and you heard from Mr. 6 Griffin. We identified the problem of load 7 balancing. And intelligent load balancing as 8 early in our documentation, earlier than this, 9 but in our documentation in October of 1994, a 10 year before Mr. Lowery had his epiphany on the 11 airplane coming back from Australia. And we applied for a patent in June of 1995, slightly 12 13 less than a year before Mr. Lowery applied for 14 his patent and we had an actual product in the 15 market MSN 1.0 that did dynamic load balancing, 16 months before Mr. Lowery applied for his patent. 17 So we are here on principle and we 18 are here on principle on behalf of Bill Griffin. 19 We are not going to go tell him that we paid 20 some other company money for his pioneering 21 invention. This was his testimony. By August 22 25th, 1995 Windows 95 had shipped and in Windows 23 95 was MSN 1.0 with load balancing. And he told 24 us -- I'm going to get emotional about this, but

it was really a fairly emotional moment.

Remember he hold us how proud he was, how many years he worked, that e-mail where everybody had signed it. How proud must they have been when it launched in midnight of August 1995, months before Mr. Lowery applied for his patent? They had spent so many many hours fixing last minute bugs, getting everything ready and he's so proud have it to this day he's got the signed e-mail and he's got his T-shirt, which he didn't bring to court. That would have been a bit hokey, but that's how proud he is.

We're standing on principle that we're not going to go back to Bill Griffin and tell him that we paid another company for his pioneering invention.

And here it is, right out of his specification, there is the intelligent load balancer, the Marvel Gateway right there. From 1995. It's so faded the document is so old that it's faded. And I portrayed it in opening statement this way. Now, when I gave my opening statement I had no idea what Mr. Lowery was going to do to come up and explain to you his

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invention. But look what I showed in opening statement right here, I showed the client here, the requests going in, the Gateway server, the intelligent load balancer right there in the middle figuring out which request to route to which application server. Mr. Lowery came in later that day and drew this on the white board. Look at what I showed in opening and look at what Mr. Lowery said his invention was that came a year later. Virtually identical. And I didn't know that he was going to draw that. But what's interesting is that we have to be fair. Mr. Lowery's invention is slightly different than Mr. Griffin's. Mr. Griffin got a patent on his and Mr. Lowery got a patent on his. And I don't know if you remember this in Plaintiff's case, where they put up the

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because our patent was cited on the front of it.

But what that also shows is that actually what

we were doing was different enough, even though

it came first, was different enough from what

Mr. Griffin was claiming that he could get his

patent in addition to us having our patent that

came earlier.

And now they're doing a 180 and saying that actually what we're doing is the same. You can't have it both ways. You can't get your patent, saying well, what Microsoft does is different, and then try to get your money by saying what Microsoft does is the same. And counsel asked you to use your common sense. I ask you to use it too. You cannot have it both ways. What's interesting, though, with all credit to Bill Griffin and his team, I mean, it was really pioneering what they did. And all credit to Mr. Lowery and his group, it was very pioneering what they did. Neither Mr. Griffin nor Mr. Lowery back in the mid '90s could see what was coming because, and this is what actually Dr. Jones told us, he said when you file a patent, it becomes frozen in time.

1 Remember that. You can't change it. So that's 2 your invention, you can't later say, oh, I 3 didn't really mean it, it's bigger than that, it 4 does more than that, that's it. And so because 5 it's frozen in time and you don't have a crystal ball to see what's coming, then what happens? 6 7 What happens --8 Oh, I'm sorry, I want to show you 9 the difference. 1995, if you wanted to order a 10 pizza on the internet and the only reason I was 11 able to get this is because Pizza Hut on the 20th anniversary of the first purchase of a 12 13 pizza online, which happened to be in 1995, they 14 put back on their original website called 15 PizzaNet, where you could order right here. 16 Look at the difference between then and now as 17 to how you go about ordering something. But 18 this is what it looked like in black and white, 19 no color, the PizzaNet from 1995. 20 Fast forward to 2012, this is an 21 actual article, E Commerce sales topped \$1 22 Trillion for the first time in 2012. And that's 23 the time period of the technology they're 24 accusing of infringing this 1995 invention. Use

1 your common sense. Can really that technology 2 from 1995 really be dealing with \$1 trillion in 3 E commerce? No. 4 But Mr. Griffin really couldn't 5 see what was coming. Mr. Lowery couldn't see 6 really what was coming. But David Maltz did. 7 This is some of the testimony David Maltz -- and 8 obviously you took notes. I just wanted to 9 highlight a couple things. He talked about the 10 handling of the request and this goes correctly 11 to whether there's infringement. Do we handle 12 the request before they're diverted? And the 13 answer is yes, we handle the living daylights 14 out of them. And why do we? Because times have 15 changed. Frankly until Dr. Maltz told us about 16 that lizard group, I don't -- who would do that? 17 Who would want to stop kids from playing with 18 their Xbox and their Sony Playstation that they 19 got for Christmas? I don't know, but Dr. Maltz 20 knew they were out there and a scientist at 21 Microsoft knew they were out there and so as a

What they do is they look for

result here's what they have to do to the

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requests.

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requests that actually cause Microsoft services to crash. We see requests that correlate with 3 crashes on our system and we'll actually block those requests from going further into our 5 services. And does that protection occur -this is Mr. Barnes asking -- Mr. Wolff asking 7 this question. Does that protection occur after the request is received? Yes, it does. FrontDoor version 2. And then he's talking 10 about Dr. Maltz, how it is processed? 11 Processing refers to a bunch of steps we do to 12 gather more information about the request. 13 is handling. Under Mr. Lowery's system, that request that comes in and is hidden, it's a 15 request that's going to crash the system, 16 request that's going to steal your information, 17 it's a request that's going to make it 18 impossible for kids to play their Xbox. 19 request would get intercepted right at the web 20 server before there's any of this handling going 21 on and it would get diverted to the page server 22 and those page servers are back end servers over 23 which some of them are third party servers over which Microsoft has no control.

1 Can you imagine if we used Mr. 2 Lowery's invention today. We could end up with 3 the entire system around the world crashing. 4 And I'm not -- this is no disrespect for Mr. 5 Lowery. He couldn't see, nor did Mr. Griffin see what was to come. But David Maltz saw what 6 7 was to come and that's why built into FrontDoor 8 is all of this handling of the request at the 9 web server before it ever goes to the page 10 server to keep us all safe. 11 And here's just some of the stuff 12 All the protection stuff they do and 13 all the request processing stuff they do to try 14 to keep all of us safe and the system working. 15 And it would never happen if we were using Mr. 16 Lowery's invention. Who else saw the tidal wave 17 18 coming? Mr. Alam. He tended to give very long 19 answers, so I'll try to -- but I didn't want to 20 take them out of context, so I put the whole 21 answer up here, but he was giving here, again, 22 why is there so much handling of the request in 23 IIS? For example, in real life example of this 24 is security. In this case we want one place --

he was talking about the web server -- where you do security. You want one place that basically validates the requests and makes sure yeah, are these actually secure sites, are these attack requests, do they look like shady requests in the system. You want one place to do that. And yes, we do, our web server. The last thing we want is for that request that is an attack request or a shady request to get diverted at the web server, sent to the page servers and crash the whole system. And that's what would have happened if we had actually been using Mr. Lowery's invention.

And this is how Mr. Alam and his team spent years creating software that would make sure that we kept those kind of systems and security checks safe in our web server. And this is a blow up of the IIS Pipeline.

Why else are we here? So I said it's not about the money. But I'm going to talk for a moment about the money, not because I'm going to tell you we shouldn't owe \$10.8 million if we're infringing. If we're infringing \$10.8 million, fine, but we're not. What I did want

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to do, though, is stop for a moment and walk you through what Ms. Hufnal was trying to show here, because I'm not sure, maybe all of you did get it, but I'm not sure and I'll take a moment and say it.

Here's the damages calculation of Parallel Networks. They had such difficulty being able to point to a document that would say this is the value of Mr. Lowery and Parallel Networks' invention. They couldn't find one, couldn't find a document they could point to. So instead they did the most counterintuitive argument. Remember how supposedly the invention makes things faster and you just saw that in closing how oh, you have the web server and it's all in red, but you divert part of it and now it's partly in red and then you divert another and then it's lesser in red and so on and that makes the whole system faster? Their damages argument is that allegedly because we're using Parallel Networks invention our system is 45 milliseconds slower. They are literally saying They're saying that by using the invention that's supposed to make things faster

1 our system is slower and that that 45 milliseconds has value to Microsoft and 2 3 therefore if you monetize that, that 45 4 milliseconds of slowness equates to \$10.8 5 million. I know -- I can't explain it to you, because it's inexplicable, but that's their 6 7 damages theory. And so what Ms. Hufnal did was she 8 9 showed, okay, so if we had less -- and this is 10 his number right here. This was his column of 11 well, you take the 45 milliseconds and you times it by these various things, multiply it by these 12 13 various things and you come up with this number. 14 So Ms. Hufnal said, okay, so if we had less 15 delay by not using your invention, let's say we 16 only had a 35 milliseconds delay, it's called 17 latency, then she did the math and that came out to 8.9 million. 18 19 And then she said, so what if it 20 turned out by using your invention we had even 21 bigger delay. And over here then she used 55 22 milliseconds and did the math and it came out to 23 14 million. 24 And so what Parallel Networks is

1 literally saying to you, ladies and gentlemen of 2 the jury, is that by using their invention, the 3 slower you go, the more you owe. And by using 4 their invention, the greater the delay, the more 5 you pay. 6 Use your common sense. That makes 7 utterly no sense. But it makes utterly no sense 8 because frankly they have no case. 9 And there is no dispute, Mr. Bone 10 agreed, Ms. Hufnal asked him: "Question: In other words, the 11 slower the Microsoft's system goes, the more 12 13 they would owe Parallel?" 14 I quess if we use their invention 15 and it brought us to a screeching halt, we would owe them a billion dollars. 16 17 He said, "Yes, based on this 18 analysis, that is correct." 19 I can't explain it, I can only say 20 to you that if they would play that fast and 21 loose with the figures, they'll play that fast 22 and loose with the facts. 23 So now let's go to the other 24 reason we stand on principle, Terry Fokas. From

1 the beginning of the case, Mr. Lowery told us 2 about how he came up with this invention and to 3 his credit, he got \$90 million in funding when 4 he was -- this is Mr. Lowery over here, 5 InfoSpinner in 1995, and then they had a different business model in 2000, Epic Realm, 6 7 and this is Mr. Lowery, and investors invested 8 \$90 million in their company. 9 But then came the .com crash and 10 enter Terry Fokas. And Mr. Fokas chastised me 11 for not being able to keep the names of his 12 company straight. And he's right, I could not. 13 I could keep a complicated data path straight, 14 but I could not keep all of Mr. Fokas' companies 15 straight. 16 But apparently according to him, 17 it turned into Epic Realm Licensing, LC, that 18 turned into Epic Realm Licensing, LP, that 19 turned into Parallel Networks, LLC, that turned 20 into Parallel Networks Licensing, LLC. 21 And counsel just got up here and 22 said that we didn't bring a witness to tell what 23 you, Microsoft, was thinking when Terry Fokas 24 told us he believed we were infringing. We

1 didn't need to bring a witness, we showed you 2 what we were thinking, we sued. We sued 3 Parallel Networks for a declaratory judgment 4 that those patents. They were accusing us of 5 infringing, were not infringed, and/or they were 6 invalid. And what we got for that was 7 Mr. Fokas, we were right here in Delaware, 8 dragging us to Texas and then ending up 9 dismissing the case in Texas and then rebringing 10 suit again here in Delaware. You know what we 11 were thinking, we showed you what we were 12 thinking. 13 And this is what Mr. Fokas told us 14 about what he was thinking. Now, I only put 15 this up here, it has nothing to do with 16 infringement, but there was so much testimony 17 from the witness stand about how much money, and 18 Mr. Lowery is right, he put a lot of money into 19 his company, but he did get 90 million in 20 investments out of it. 21 Mr. Fokas told you he took a 22 second mortgage out on his house. But he did 23 get according to him I think he said almost 32 24 million in licensing revenue. So we got a lot

1 of tens of millions of dollars floating around 2 there. And who gets that? Well, we got the 3 Parallel Networks Licensing which is owned 75 4 percent by Parallel Networks, and then the other 5 20 -- this is the breakdown of Parallel 6 Networks, which is 65 percent of that goes to 7 Terry Fokas, 15 percent to Mr. Lowery, and 20 8 percent to other investors. And then, talking 9 about Parallel Networks Licensing, 75 percent is 10 owned by Parallel Networks and the other 25 11 percent is held by a patent funding company 12 called Parabellum. 13 So when Mr. Fokas is up there 14 pleading poverty, he's got a partner called 15 Parabellum who is in the line of work of funding 16 litigation, of helping companies like his sue 17 other companies. So I just wanted to get that 18 out of the way in case we were feeling sympathy 19 for poor Mr. Fokas that he had to take a second 20 mortgage on his home. He admitted that 21 Parabellum is indeed a litigation funding 22 company. 23 Let's just talk a moment also 24 about witnesses and the credibility of

1 witnesses. You're going to have a jury 2 instruction, and it's going to be up to you to 3 judge the credibility of witnesses. What was 4 their demeanor like? What was their testimony 5 like? Were they believable? And Mr. Fokas sat on that witness 6 7 stand under oath and told you that any recovery 8 they got, it was going to go to pay off the 9 investors. Of course he forgot to tell you that 10 he was one of the investors. And to hire 11 engineers. And I don't know if you remember, I 12 said, "Really, Mr. Fokas?" 13 "Yes, we're going to use it to 14 hire engineers." 15 Then I asked him, "When was the 16 last time there were engineers at Parallel 17 Networks Licensing?" "Answer: There has never been any 18 engineers." 19 20 It's up to you to decide if Terry 21 Fokas was telling you the truth. 22 So let's get down to business. 23 This is a patent case, as I'm sure you were all 24 so excited to learn when you got picked for this jury. And so let's get to what the issue is all about.

In opening statement, even though this was a patent case, counsel for Parallel Networks stood before you, and there is transcripts that we see these people here doing. He talked for twenty-seven pages, two pages were devoted to talking about the patent and the accused products. And one of those pages was about how there really wasn't time to talk about the patent. We got to hear about the life of Mr. Lowery, and he's to be commended for all the obstacles that he's overcome and there have been tremendous amounts of them, but that frankly has nothing to do with the question that you are being asked to answer.

We heard all kinds of things that have nothing do with what's going to be on the verdict form. I spoke, two pages longer than counsel for Parallel Networks did, but I spoke for twenty-six out of twenty-nine pages about the patent and the accused products, even though we're not the plaintiff and we don't have the burden of proof, and we're not -- and we have

1 lots and lots of patents, including on the 2 accused products, but we're not the patentholder 3 in this case asserting a patent. 4 So let's get down to it. 5 question you're going to be asked is did 6 Parallel Networks prove that the accused 7 products, MSN and Bing infringe the asserted 8 claims. I have the verdict form here, and I was 9 going to ask to put it on the Elmo, but counsel 10 already put it up there, and I'm not going to 11 presume in any way to tell you how to fill it 12 It's a fairly simple verdict form, so I'm 13 sure you're going to be able to follow it pretty 14 easily. But I did want to point out that the 15 question is, has Parallel Networks proven by a 16 preponderance of the evidence that MSN and Bing 17 infringe. 18 Let's see in a summary form what I 19 did with these boards? Dr. Long as you may 20 recall went through every single element. Now, 21 let me stop right there. Remember if only one 22 is missing, we don't infringe, just one. 23 pointed out three. 24 Now, you may decide oh, I think

1 there was only a single request. Well, then, 2 we're down to two. You may decide oh, maybe 3 there is releasing. Then we're down to one. 4 They have to prove to you all three of them we 5 are performing. 6 So this is the said request one. 7 And Dr. Long walked us through very carefully 8 before I crossed out and showed you all the 9 reasons why we are not performing, the accused 10 products performing that limitation. 11 Then I underlined the releasing, 12 and he walked you through the evidence on that. 13 I'm going to touch very lightly on it in a 14 minute, but we're not doing it, either. Then we 15 looked at the intercepting. And again, Dr. Long 16 walked you through and explained in detail how 17 we're not doing that limitation, either. 18 So these are all, everything that 19 is lined out here is what is not happening in 20 MSN and Bing and, therefore, there can be no 21 infringement if you find one of them. 22 The '335 claim, we went through 23 the same exercise, said request, no. Releasing 24 no. Intercepting, no.

1 And this is Dr. Long's summary. 2 He was up there for I think well over an hour, 3 at the end he would sum up on each one, single 4 request, do we meet that requirement, no. 5 Releasing, no. Intercepting, no. 6 And again, in judging witnesses, 7 you can judge -- there is an instruction on 8 expert witnesses. You can judge them based on 9 their credentials, their background, their 10 experience, what kind of things they looked at. 11 Now, Dr. Long has been criticized 12 for not looking at source code and how Dr. Jones 13 did. And you remember Dr. Jones had some source 14 code up there and then they handed you a page so 15 you could see what it looked like. 16 Dr. Jones never showed you one 17 line of source code to support his opinions. Не 18 never said now if you look right here, this 19 shows a single request. If you look right here, 20 this line of software code or source code, this 21 shows there is an intercepting. If you look 22 right here, this shows that the web server is 23 being released, not one that would show that he 24 looked at source code. He didn't use any of it

1 to support his opinion. On the other hand, Dr. Long talked 2 3 to the very engineers who wrote the source code 4 to support his opinion. 5 So let's get down to it. What is 6 the invention? It's been a while, the first 7 witness we had was Mr. Lowery, and so what did 8 he say was the invention? He admitted he didn't 9 invent web servers. He admitted he didn't 10 invent web pages. He admitted he didn't -- I 11 guess I repeated myself twice, the web pages. 12 He admitted he didn't invent the idea of a 13 server that receives and processes a web page 14 request. He admitted he didn't even invent 15 dynamically creating web pages. He admitted he 16 didn't invent the HTML language we have been 17 talking about. And, in fact, he admitted that 18 he didn't even invent the concept of load 19 balancing that others had done that before which 20 is key. They're trying to tell you without his 21 invention the internet won't work. That wasn't 22 his invention. 23 His invention is a very narrow and 24 specific way of doing this load balancing that

1 frankly has been frozen in time back in 1995 and 2 is archaic and is being used by no one anymore. 3 They may get up in rebuttal, and I 4 don't get to respond and say well, then, why did all these companies take a license. You saw the 5 6 name of those companies. Most of them were 7 pretty small. And you see how expensive it is 8 here to have to challenge these lawsuits. We 9 are lucky, Microsoft does have the benefit of 10 having the resources to be able to stand on our 11 principles and not have to capitulate. Those 12 other companies may not have. 13 But you also saw the one clause in 14 the one license you actually did see that said 15 that this settlement agreement shall not be used 16 as an admission of liability anywhere at any 17 time. 18 So if they get back up and argue 19 that all these other companies acknowledge they 20 were infringing, that's simply not true. 21 So what is the invention? This is 22 the essence of the invention. My question to 23 Mr. Lowery, "Sir, is it true that the adapters 24 were built to intercept the functionality of the

1 web server and off-load it from the web server's 2 obligation to process the dynamic content 3 generation request? Is that true, sir? "Answer: Yes." 4 5 He was very truthful. That's his 6 request. That is his invention, get that 7 request and leave the web server not to have to 8 process it. And you saw, we processed the 9 living day lights out of the request to keep us 10 all from having the whole thing crash. 11 His invention is the opposite of what we do, literally the opposite. And the 12 13 patent tells us that in the '554 patent, all the 14 benefits, performance, security, extensibility 15 and scalability are each to be done not by the 16 web server the way we do, but by the page server 17 which is not what we do. Because half the time 18 the page servers aren't even under our control. 19 A completely different invention than our 20 invention. 21 And we also know that from the 22 InfoSpinner, this is when it was still 23 InfoSpinner, halted work on the web server 24 because the technology wasn't critical for them.

Mr. Alam said that in our technology, the web server is absolutely critical. In fact, it is. Look at all the stuff that it does. And so that's the general global. Now let's drill down to the individual claim limitations that we don't meet.

Number one, is there a single request or a multiple request? With all due respect to Dr. Jones, it's up to you if you're going to put your weight behind Dr. Jones or the man who actually wrote the soft -- the source code with his team for the IIS pipeline, which is where those requests get processed. Do we have a single request or do we have multiple requests? Answer, we clearly have multiple requests.

Dr. Maltz, and is the request that comes out of FrontDoor version 2 the same request that came in? No, it's not. And you can tell that just by looking at these two pages. I don't know if you remember, you're going to end up reading software code, you can look at the original request and what it looked like and it's in evidence, and then you could

1 look at the request that came out, and it is 2 different. It is simply a different request. 3 So that whether we have multiple or single 4 requests. 5 Let's look at releasing of the web 6 So again, Mr. Alam gave some long server. 7 answers. So what happens in releasing, it has 8 to release the web server to process another 9 request. So the request comes in to HTTP.sys, 10 and Mr. Alam tells us, what HTTP.sys, what 11 happens is this request will stay here. doesn't go anywhere, it stays. That's his 12 13 testimony under oath and nobody contradicted it. 14 And then he talks about all the 15 things that happen because it's the raw request 16 and eventually there becomes a cooked request 17 right there, we call that a cooked request. 18 Now, it's interesting because 19 counsel said well, like that's if you have a raw 20 potato and I cook it, you still have a potato, 21 but here because we have multiple requests 22 sitting in HTTP.sys is the raw potato. What 23 goes up the pipeline is a cooked potato. You 24 actually have two different potatoes.

1 that's why we have multiple requests. 2 that's why we also don't release the web server 3 because we got one potato -- image this is an 4 oven, we got one potato still sitting in the 5 oven, then we got another one that is fully 6 baked and now is working its way up to have it 7 scooped up to have some sour cream added and 8 some butter and some cheese added, that's the 9 cooked potato, we have two. 10 In the meantime that raw potato 11 that is sitting in that oven, that oven has not 12 been released to bake another potato. I know 13 this is a ridiculous analogy because the 14 software is so much more complicated than that, 15 but I started down the road so I'll finish it 16 up. 17 The cocked potato goes up to the 18 handler, it stays there. Let's say that's the 19 warmer, and it stays there until the other third 20 leg of this comes back and then and only then is 21 the oven released to cook another potato, the 22 warmer released to warm another cooked potato. 23 And he specifically was -- so just 24 to be clear, this is now the cooked one, it's

sitting up here in the execute handler, while
the cooked request is sitting there waiting for
the whole back end of the process to take place,
that's the application servers, who get yet new
requests, these new raw requests get to gather,
what happens, he says the execute handler has
not been released. The cooked request has also
not been released.

And so once the client finally gets back the response, is that when the web server is released to process — this part of the web server is released to process a new request, that's the key, that the Court's claim construction. It doesn't get released to process a new request until the response comes back. That's the opposite of what the invention is. The invention is get that request out of there, out of the web server so that that piece of memory where that request would have been stored is free to process a new request.

We don't have to do that, because we've got so many different -- we can process a thousand requests simultaneously. What Mr.

Lowery was thinking about was a very small

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primitive system where if you had one request in the web server, you couldn't process the next request until that request moved onto the page server, then the new request would come in.

That's not what we have, because the capacity to process thousands of requests simultaneously, so we can hang on and do take up memory.

Now, eventually, it will probably get to a point where there's so many users we might have -- we might fill our capacity and then you know what happens, you know that little thing that goes like this on your screen, that's what you are going to see. So then our scientists are going to get to work figuring out yet a more efficient way to do this. And guess who also said he didn't literally agree with me that there was no releasing, but he agreed with me that the request sat up in the execute handler, he agreed, Dr. Jones, that the memory would not be released then until the response came back and the result of that was that that memory, which is a resource, is being held up and taken up until the client transaction is fully processed. He agreed that we do it

1 fundamentally differently than the patented 2 invention. 3 I don't mean to be pointing at 4 you, Mr. Lowery. I'm just generally looking 5 over here for the representative of the patented 6 invention. I recognized I was doing that. I'm 7 sorry. It was really rude. I'm sorry. 8 didn't mean it that way. 9 So let's go to the last one. 10 Intercepting. Now, this has been a very 11 interesting turn of events just this morning. 12 The Court's construction is diverting the 13 handling of said request before the request is 14 processed by the web server slash HTTP-compliant 15 device. Counsel said in his opening closing, 16 there's no requirement in here about what it 17 means or how much the handling is that our 18 witnesses said well, we do a significant amount 19 of handling. This is slight on that. If that's 20 the case and he's right, one could read this and 21 say there should be no handling, right? It says 22 divert before there's handling. Now, logically 23 there has to be some handling, even in the 24 Parallel Networks system because the request

does have to get passed through the web server to the application server. So of course there's some handling, but not the kind -- I mean, this would make it sound like we can't handle it at all, but I don't know if a system would work if you did that. So logically you know you can do a little bit of handling to be able to get it from the web server to the application server or the patented invention, the page server, but in our case you saw over and over again we handle truly the living daylights out of these requests at the web server before they're diverted.

Now, I asked Dr. Jones to help us out here, because they have the burden of proof. They have to prove to you that there isn't handling that goes on on the request while it's at the web server before it's diverted. And I was walking him up the Pipeline, the IIS Pipeline and I figured I'll keep it simple, I'll just talk about the modules that use the word handler, because you would think if you're called a handler, you're probably doing some handling. And so I asked him, all right. We're going up through the IIS Pipeline, let's go to

1 map handler. Now, again, just to make it really 2 clear, I asked him at this point the request has 3 not been intercepted, correct? Yes. And do 4 you, Dr. Jones, who represents the party with 5 the burden of proof, do you know what the map handler does? Answer, I don't recall. 6 7 So how can he tell you ladies and 8 gentlemen of the jury that the map handler 9 doesn't handle the request in a way that is 10 prohibited by the Court's claim construction. He can't tell you that because he doesn't 11 12 recall. And then I asked him about the 13 pre-execute handler. Do you know what that 14 does? I don't recall. So he failed right there 15 in his burden and obligation to you to prove to 16 you that that request didn't get handled in a way that the Court's construction doesn't allow 17 before it was diverted. 18 19 And of course Mr. Alam told us 20 about all the handling that was going on, when 21 in computer terminology when he says that's a 22 lot of code happening here, that means handling. 23 And he gave -- I put all these pages here

because you have a really, really long answer

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1 when he stood up here and he walked you through 2 the IIS Pipeline and described to you in detail. 3 I mean that Pipeline almost looked like a 4 gauntlet. I mean all that handling that was 5 going on with the request all before it was 6 diverted. And Dr. Maltz told you that FrontDoor 7 2 runs on IIS, so that means everything that IIS 8 does to the request FrontDoor is doing since 9 it's running on IIS. 10 And so there's no intercepting, 11 according to David Maltz, no intercepting 12 according to Mr. Alam, and of course no 13 intercepting according to Dr. Long. And of 14 course we don't know according to Dr. Jones, he 15 doesn't know. And so that is intercepting. 16 So at the end of the day you're 17 going to be asked -- the burden of proof is more 18 likely than not. It's not a big burden, 51 19 percent, but it goes both ways. Is it more 20 likely than not that we are infringing, that 21 Bing and MSN are infringing or is it more likely 22 than not that we aren't? And if you believe Mr. 23 Alam, Dr. Long, Dr. Maltz, clearly they've 24 tipped the scale in our favor. Now, if you

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think outweighing them all is Dr. Jones, then that's certainly a decision you could make, but he would have to outweigh all of these gentlemen and you would have to disbelieve all of their testimony and only accredit his.

And so let me leave you with this. Are you going to accredit an expert who put this up in front of you when the whole claim is about what does and doesn't happen at the web server and he left off the web server. You know why he left off the web server? And this is my -remember I got up there and I drew this box? You know why he left off the web server and only talked about FrontDoor? Because in the web server is IIS and in the web server is HTTP.sys that creates one request sits here, another request sits there. He didn't want to talk about it. He didn't want to talk about them, because he had no explanation for how it is that those limitations are met when you start talking about HTTP.sys and IIS. I had to bring them up.

So, I will end with this. You are the ultimate judges and I said I'm not going to presume to tell you how to fill out the verdict

1 You've been unbelievably conscientious. form. 2 I know -- I'm sure when you first heard about 3 the technology I doubt you thought oh, I can't 4 wait to tell my loved once about this case, but 5 I hope you learned something during the case. 6 hope that you ended up finding it interesting. 7 I hope some of our witnesses were able to kind 8 of explain to you. I didn't know before I 9 handled this case, because you know what's 10 interesting? As much as this does, as much as 11 what the inventors at Microsoft have 12 accomplished nobody gets to see it because it's 13 not the cool stuff that's out there that you can 14 see, but it's the stuff that without it the 15 whole thing would fall apart. And so I'm so 16 happy for them that they finally got to come and 17 tell people about what they did starting in 1993 18 with Bill Griffin and to this day with Mr. Alam 19 and Dr. Maltz. I'm really very proud to be 20 speaking on their behalf and I ask you to take 21 all of that into consideration when you go into 22 the jury room and render your verdict. 23 you very much. 24 THE COURT: Okay. Mr. Bovenkamp.

1 Rebuttal. 2 MR. BOVENKAMP: Yes, Your Honor. 3 Thank you. 4 Microsoft's counsel started, Ms. 5 Brooks started her argument by saying that this case is, for them, all about non infringement. 6 7 There was then a lot of talk about a lot of 8 stuff other than infringement. Don't let them 9 kid you. There was a lot of discussion about 10 damages, there was a lot of discussion about 11 their allegation that they infringe first -- or 12 they came out with their product first. 13 a lot of discussion about many things unrelated 14 to infringement and a lot of her closing 15 statements touched on those things. 16 There's questions on the verdict 17 form for something other than infringement, for 18 willfulness, for damages, because Microsoft has 19 kept those things in the case. They could have 20 chosen not to. If it's truly about the 21 principle of the thing, they could have chosen 22 to eliminate those issues so that all we were 23 here talking about was infringement. They 24 didn't.

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You heard Ms. Brooks, on behalf of Microsoft, argue that they believe they came Well, the law provides a remedy for first. that. They could have challenged Mr. Lowery's They could have alleged in this case that his patent was invalid. You're not going to be asked -- when you go back to the jury room, look on that verdict form. There's no question about whether Mr. Lowery's patent is valid. It is. I showed you where on Mr. Lowery's patents, one of them, their alleged system, this '668 patent that Mr. Griffin talked about, was on the list of things that the patent office considered. And Microsoft's counsel discussed what the significance of that was, but here's what's of significant. The significance was that the Patent and Trademark Office, in their three-year examination, looked at that MSN 1.0 system, they looked at that patent and what they concluded was that what Mr. Lowery came up with, what he invented, was different. That's the only reason he got a patent. They look at all the art, including Microsoft's system and they issued Mr. Lowery a patent. So don't let

1 Microsoft kid you, what they had in MSN 1.0 2 wasn't the same as what he came up with. 3 You heard evidence that what they 4 used in MSN 1.0 is different than what they're 5 doing today. And there's a reason for that. 6 MSN 1.0. I don't dispute that that was a 7 significant undertaking in that it took a lot of 8 time and a lot of effort and a lot of work, but they changed what they did from MSN 1.0 from 9 10 what they're doing today in MSN and Bing. And 11 what they changed to is a system that Mr. Lowery 12 invented. That's what they changed to. 13 Now, at the beginning of 14 Microsoft's counsel's argument there was -- and 15 I'll briefly touch on, because I want to get to 16 infringement. I want to address the three 17 excuses they have of why they don't infringe. 18 Before I do that I want to touch on two other 19 things. First they say it's counterintuitive 20 that because our load times are greater it's 21 counterintuitive that we should get more money. 22 Well, here's the thing. The reason why the load 23 times are greater, the reason why there's this 24 45 milliseconds is not chance. So there's a lot

1 of things that in page load time are chance. 2 has to go all the way from a client, it takes a 3 bunch of different hops through the internet to servers that Microsoft doesn't control. 4 5 to go through a number of different systems that Microsoft has, but Microsoft can control those. 6 7 Microsoft can control its own servers. And so 8 Microsoft and it's engineers, smart folks, we 9 don't dispute that, they built FrontDoor to be 10 exactly that 45 milliseconds. They could have 11 chosen to make it faster, they could have chosen 12 to make it slower. They chose for FrontDoor to 13 be that particular speed. So it wasn't chance 14 that it was that amount. And so the only 15 rational conclusion is if they designed it, they 16 built into the system this additional delay, there had to be a reason for that. 17 18 And that's what Mr. Bone 19 explained. The reason for it. Because as 20 Dr. Jones explained, as Mr. Lowery explained, 21 the benefit of the patent is not necessarily for 22 a specific request. Think of the traffic 23 signal. For you sitting at a red light may 24 suck, but on the whole for all those cars

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sitting in traffic because there is a red light, because there is traffic signals, good things happen. You can get to the place that you want to go more quickly. That's the same thing that happens in their system. There may be for a specific request a little slow down that's 45 milliseconds, but because of that additional processing, because of that additional thinking, because of that additional determination of where it can go, the whole system is not going Think about the slow down if there to crash. wasn't the 45 milliseconds, if there was just a quicker routing, but it was done in a dumber way, one of those systems went down and the whole Bing system went down, the slow down then, it would be incredible. That's what we're talking about with overall benefit. And that's what we're talking about, this designed 45 second increase and that's what there's at least the value of to Microsoft. Now, last thing I want to talk about before I get to the three infringement excuses is Terry Fokas. There was a suggestion by Microsoft's counsel that Terry Fokas somehow

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profited on the order of \$90 million from these deals with the company. I want to set the record straight. Investors did invest in epicRealm when Terry Fokas was with them, but they invested in epicRealm, they weren't paying this money to Mr. Fokas. Mr. Fokas didn't make this amount of money. What that money was used for ultimately, and unfortunately because of the customers going away, was paying off the debts of epicRealm. Mr. Fokas came in here and he was very clear about the companies and the organization and, you know, maybe it was simple for him to work all that out. I'm a trial lawyer, I'm not a corporate lawyer, so it was a little Greek to me as well, but the fact of the matter is is that Mr. Fokas took out a second mortgage on his house. I mean, you're not doing that if you choose to. Mr. Fokas put a lot of time and a lot of his own money into this and a lot of other investors did too. Mr. Lowery is still around, he's still with the company, they still want to do things with his patents. They still want to do things with their intellectual property. And

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that's a part of what we're asking for here, a small part. We're asking for a fair value for Mr. Lowery's patents from Microsoft. We think 10.8 is imminently fair.

Now, let me briefly address, before I sit down, the non infringement arguments that Microsoft went through and just as we expected, they said they raised the request issue, they raised the intercepted issue, they raised the releasing issue. And I want to observe something up front. There was a slide they put up that I thought was pretty interesting. They had Jones on one side and they had Mr. Alam, they had Mr. Maltz and they had Dr. Long. Dr. Maltz, I'm sorry. Dr. Long on the other side. And they said look at this battle, Dr. Jones versus these three folks. But you know Dr. Jones had someone else on his side, someone that Microsoft didn't bring to trial. He had Mr. Arunachalam, the guy that knew this application server load balancer best, the guy who knew about how the intelligent system worked. He was on Dr. Jones' side. was someone that Dr. Jones relied upon.

1 Dr. Jones went further than that. He traveled 2 across the country to California to look at 3 Microsoft source code. Dr. Long, he teaches at Santa Cruz. Santa Cruz is in California, at 4 5 least the last I've heard. That's pretty close, 6 but yet he was too busy. He had taken 7 shortcuts, decided he didn't need to go look at 8 the source code. Why? Why wasn't Mr. 9 Arunachalam here? 10 They talked about request. It's 11 There's one message that asks for a web simple. 12 There's only one. Dr. Maltz said that 13 it's exactly the same what comes out of 14 FrontDoor than what went in. Mr. Alam, who they 15 rely upon for this issue, Mr. Campbell stood up 16 and asked him repeatedly what do you know about 17 FrontDoor, what do you know about FrontDoor, 18 what do you know about FrontDoor? I don't 19 really know anything, I know about IIS, but 20 FrontDoor I'm not sure. FrontDoor is what's at 21 issue in this case. Bing and MSN are what's at 22 issue in this case. 23 You heard the excuse of releasing. 24 But what you didn't hear, they brought up memory

1 again, they brought up connections again, but 2 what you didn't hear Ms. Brooks address was what 3 I told you they didn't address, processing 4 cycles. That's just as much a resource of the 5 web server and the HTTP-compliant device as 6 memory, as connections. 7 And lastly, intercepting. Don't 8 let them fool you. Don't fall for the smoke and 9 mirrors. Read the construction for yourself. 10 Diverting the handling, it's not diverting 11 before handling, it's diverting handling before processing. That's what the Court is going to 12 tell you. Don't fall for it. What's 13 14 processing? 15 Well, when you process something, 16 it was the whole point of the invention, that 17 you don't do the generation of the web page at 18 the web server, you do it somewhere else. You 19 off-load. 20 It's straightforward. It's 21 simple. It's not as complicated as Microsoft 22 wants to suggest. You divert the handling, 23 there can be handling before, even a whole 24 bunch. But as long as before you dynamically

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       generate that web page it gets sent to a page
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       server, that limitation is met.
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                     Ladies and gentlemen of the jury,
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       the lawyers who presented the case to you on
 5
       behalf of Keith Lowery and Parallel Networks, we
 6
       thank you for your time and attention. I know
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       it's been a long process. And we look forward
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       to your verdict.
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                     THE COURT: Thank you, counsel.
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                     Ladies and gentlemen of the jury,
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       as I said to you, I'm going to need to instruct
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       you on the law. That's going to take a few
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       minutes, so I think it probably would be wise if
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       we took a short break, shorter than usual.
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       We'll take a five, ten-minute break and then
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       I'll have you back in and instruct you on the
17
       law and then the case will be yours.
18
                     Let's take the jury out.
19
                     (Jury leaving the courtroom at
       11:43).
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21
                     THE COURT: All right. I'll be
22
       back and ready to roll in ten minutes. Okay.
23
                     (A brief recess was taken.)
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                     THE COURT: All right. Thanks.
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1 Please be seated for just a moment. Do we have 2 final versions? I asked that there would be for 3 sure a final version on the jury instruction and 4 verdict form. Do I have that? MR. CAMPBELL: The verdict form I 5 6 don't because I don't think there were any 7 changes to it. We can get it quickly if you 8 need it. 9 THE COURT: I'll pass this back to 10 you folks to look at because I'm pretty darn 11 sure that's it, but I don't want any mistakes. 12 MR. CAMPBELL: If I can hand out 13 what I understand is a agreed revised 14 preliminary instruction for the invalidity, 15 agreed final jury instructions and then an 16 agreed supplemental instruction, they were 17 originally instructed on invalidity and that is 18 no longer part of the case. 19 THE COURT: That's great. If you 20 could hand that to the courtroom deputy. 21 Ms. Hufnal and Mr. Campbell, take 22 a look at that together and tell me if that 23 verdict sheet is right. 24 MS. HUFNAL: Your Honor, we have

1 one issue on the juror notebooks. They have the 2 claims in the juror notebooks. Those were 3 submitted I think before the narrowing of the 4 claims that happened right before trial started, 5 so they right now have claims in their juror 6 notebooks that are no longer at issue in the 7 case. 8 We have printed out pages that 9 just have the asserted claims, if the Court 10 would like to replace those. 11 THE COURT: No, I wouldn't. But 12 I'll tell them. 13 MS. HUFNAL: Okay. 14 THE COURT: I'm not going to try 15 to gather up nine notebooks that might have been 16 written in and start swapping pages. That would 17 be a good thing to know about before now. 18 wasn't screening what you guys agreed to put in 19 there. So I'll just tell them, the claims that 20 are at issue, the only claims that are at issue 21 are the ones that you have heard about and that 22 are on the verdict sheet. 23 MS. HUFNAL: Thank you, Your 24 Honor.

1	THE COURT: All right.
2	MR. CAMPBELL: There is no change
3	from the preliminary instructions. Your Honor,
4	we have confirmed this is the correct verdict
5	form.
6	THE COURT: Great. That's the one
7	I'll send back. So please hand that back to the
8	courtroom deputy.
9	MR. CAMPBELL: Lastly, Your Honor,
10	housekeeping, and we can do this later or
11	however Your Honor wishes. You asked the
12	parties to confer on which portions of the
13	transcript from Tuesday need to be sealed.
14	THE COURT: Let's hold on now.
15	Let's get the jury in, I'll instruct them, I can
16	give them the case and then we can do whatever
17	clean up we have to do.
18	MR. CAMPBELL: Thank you, Your
19	Honor.
20	THE COURT: Let's get the jury in.
21	(Jury entering the courtroom at
22	11:50 a.m.)
23	THE COURT: All right. Thank you.
24	Please be seated, ladies and gentlemen.

1 We're at the last step before the 2 cases all yours. 3 As I told you, I'm going -- please 4 secure the courtroom. I need to read to you a 5 set of instructions, but don't worry, I'm going 6 to send this copy back with you as well. I'll 7 also send back with you a copy of the 8 preliminary jury instructions. They have been 9 slightly amended because at the beginning of the 10 case I instructed you that you need to determine 11 whether the patents-in-suit are valid or Invalidity is no longer an issue in 12 invalid. 13 the case, so that's been stripped out of these 14 preliminary instructions. 15 So that will give you one copy of 16 all the instructions that I have given you along 17 the way, preliminarily and the final set. I'll 18 also send back with you a copy of this verdict 19 form that you will be asked to fill out. 20 tell you more about that. 21 Finally one other point. 22 Preliminarily you have been given juror 23 notebooks which listed some things that may or 24 may not have some claims that are mentioned in

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there, but the only claims that are at issue in the case are the ones that you have heard about repeatedly and the ones that are listed on the verdict form. Those are the only ones you need to pay attention to. You'll see them listed out in the verdict form, the claims that you have been hearing about and which are listed here the form. All right. Members of the jury, now it is time for me to instruct you about the law that you must follow in deciding this case. I will start by explaining your duties and the general rules that apply in every civil case. I will explain some rules that you must use in evaluating particular testimony and evidence. I will explain the positions of the parties and the law you will apply in this case. Last I will explain the rules that you must follow during your deliberations in the jury room. Please listen very carefully to everything I say.

You will have a written copy of these instructions with you in the jury room for your reference during your deliberations. You

will also have a verdict formally, which will list the interrogatories, or questions, that you must answer to decide this case.

you have two main duties as jurors. The first one is to decide what the facts are from the evidence that you saw and heard here in the court. Deciding what the facts are is your job, not mine, and nothing that I have said or done during this trial was meant to influence your decisions about the facts in any way.

Your second duty is to take the law that I give you, apply it to the facts, and decide which party should prevail on the issues presented. I will instruct you about the burden of proof shortly. It is my job to instruct you about the law and you are bound by the oath that you took at the beginning of the trial to follow the instructions that I give you, even if you personally disagree with them. This includes the instructions that I gave you before and during the trial, and these instructions. All the instructions are important, and you should consider them together as a whole.

Perform these duties fairly. Do not let any bias, sympathy or prejudice that you may feel towards one side or the other influence your decision in any way.

You must make your decision based

only on the evidence that you saw and heard here in the courtroom. Do not let rumors, suspicions, or anything else that you may have seen or heard outside of court influence your decision in any way. The evidence in this case includes only what the witnesses said while they were testifying under oath, including deposition testimony that has been played or read to you, the exhibits that I allowed into evidence, and any facts that the parties agreed to by stipulation.

Nothing else is evidence. The lawyers' statements and arguments are not evidence. Their questions and objections are not evidence. My legal rulings are not evidence. None of my comments or questions are evidence. The notes taken by any of you as jurors are not evidence.

Certain charts and graphics have

1 been used to illustrates testimony from 2 witnesses. Unless I have specifically admitted 3 them into evidence, these charts and graphics 4 are not themselves evidence even if they refer to, identify, or summarize the evidence. 5 6 During the trial I may have not 7 let you hear the answers to some of the 8 questions that the lawyers asked. I'm trying to 9 think, I'm not sure whether that happened or 10 not. I also may have ruled that you could not see some of the exhibits that the lawyers wanted 11 12 you to see. And sometimes I may have ordered 13 you to disregard things that you saw or heard. 14 If that happened, you must completely ignore all 15 of those things. Do not speculate about what a 16 witness may have said or what an exhibit might 17 have shown. These things are not evidence, and 18 you are bound by your oath not to let them 19 influence your decision in any way. 20 Make your decision based only on 21 the evidence, as I have defined it here, and 22 nothing else. 23 Some of you may have heard terms 24 "direct evidence" and "circumstantial evidence."

Direct evidence is simply evidence like the testimony of an eyewitness which, if you believe it, directly proves a fact. If a witness testified that he saw it raining outside, and you believed him, that would be direct evidence that it was raining.

Circumstantial evidence is simply a chain of circumstances that indirectly proves a fact. If someone walks into the courtroom right now wearing a raincoat covered with drops of water and carrying a wet umbrella, that would be circumstantial evidence from which you could conclude that it was raining.

It is your job to decide how much weight to give the direct and circumstantial evidence. The law makes no distinction between the weights that you should give to either one, nor does it say that one is any better evidence than the other. You should consider all the evidence, both direct and circumstantial, and give it whatever weight you believe it deserves.

You should use your common sense in weighing the evidence. Consider it in light of your everyday experience with people and

events, and give it whatever weight you believe it deserves. If your experience tells you that certain evidence reasonably leads to a conclusion, you are free to reach that conclusion.

You may use notes taken during the trial to assist your memory. Remember that your notes are for your personal use. They may not be given or read to anyone else. Do not use your notes, or any other juror's notes, as authority to persuade fellow jurors. Your notes are not evidence, and they are by no means a complete outline of the proceedings or a list of the highlights of the trial.

unimportant at the time presented, and thus, not written down, may take on greater importance later on in the trial in light of all the other evidence presented. Your notes are valuable only as a way to refresh your memory. Your memory is what you should be relying on when it comes time to deliberate and render your verdict in this case.

You, the jurors, are the sole

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judges of the credibility, or the believability, of the witnesses you have seen during the trial and the weight their testimony deserves.

You should carefully scrutinize all the testimony each witness has given and every manner of evidence that tends to show whether he or she is worthy of belief. Consider each witness's intelligence, motive, and state of mind, as well as his or her demeanor while on the stand. Consider the witness's ability to observe the matter as to which he or she has testified and whether he or she impresses you as having an accurate recollection of these matters. Consider also any relation each witness may bear to each side of the case, the manner in which each witness might be affected by the verdict, the interest any witness may have in the verdict, and the extent to which, if at all, each witness is either supported or contradicted by other evidence in the case.

Discrepancies in the testimony of different witnesses may, or may not, cause you to discredit such testimony. Two or more persons witnessing an incident or transaction

1 may see or hear it differently. Likewise, in 2 determining the weight to give to the testimony 3 of a witness, you should ask yourself whether 4 there was evidence tending to prove that the 5 witness testified falsely about some important 6 fact, or whether there was evidence that at some 7 other time the witness said or did something, or 8 failed to say or do something, that was 9 different, or inconsistent, from the testimony 10 that was given here during the trial. It is the 11 province of the jury to determine whether a 12 false statement or a prior inconsistent 13 statement discredits the witness's testimony. 14 You should remember that a simple 15 mistake by a witness does not mean that the 16 witness was not telling the truth. People may 17 tend to forget some things or remember other 18 things inaccurately. If a witness has made a 19 misstatement, you must consider whether it was 20 simply an innocent lapse of memory or an 21 intentional falsehood, and that may depend upon 22 whether it concerns an important fact or an 23 unimportant detail. 24 When knowledge of technical

1 subject matter might be helpful to the jury, a 2 person who has special training or experience in 3 that technical field -- we call such a person an 4 expert witness -- is permitted to state his or 5 her opinion on those technical matters. 6 However, you are not required to accept that 7 opinion. As with any other witness, it is up to 8 you to judge the credentials and the credibility 9 of the expert witnesses that have testified in 10 this case and decide whether to rely on their 11 testimony. 12 You should consider each expert 13 opinion received in evidence in this case, and 14 give it such weight as you think it deserves. 15 If you decide that the opinion of an expert 16 witness is not based upon sufficient education 17 and experience, or if you conclude that the 18 reasons given in support of the opinion are not 19 sound, or if you feel that the opinion is 20 outweighed by other evidence, you may disregard 21 the opinion in whole or in part. 22 During the trial, certain 23 testimony was presented to you through 24 depositions that were read into evidence or

1 played by video. This testimony must be given 2 the same consideration you would give it had the 3 witness personally appeared in court. Like the 4 testimony of a live witness, the statements made 5 in a deposition are made under oath and are 6 considered evidence that may be used to prove 7 particular facts. 8 I will now review for you the 9 parties in this action and the positions of the 10 parties that you will have to consider in 11 reaching your verdict. 12 The plaintiff, as you know, is 13 Parallel Networks Licensing, LLC, which we have 14 been referring to as Parallel Networks. 15 Defendant is Microsoft Corporation 16 which we have been referring to as Microsoft. Parallel Networks is the owner of 17 18 U.S. Patent No. 5,894,554, which I have referred 19 to and the parties referred to as the '554 20 patent, and the U.S. Patent No. 6,415,335, which 21 I will be referring to in these instructions and 22 have referred to and you heard the parties refer 23 to it as the '335 patent. I may also refer to 24 these patents collectively as the

1 patents-in-suit. Microsoft made, used, and operated 2 3 the Bing and MSN website systems during the 4 relevant time frame. I may refer to these 5 website systems collectively as the accused 6 products. 7 Parallel Networks contends that 8 Microsoft's accused products directly infringe 9 claims 20, 41 and 49 of the '554 patent, and 10 claims 43 and 78 of the '335 patent. 11 And you'll know that, not just from what's been said, and what I said, but it's 12 13 in the verdict form. 14 These claims may be referred to as 15 the asserted claims. Parallel Networks further 16 contends that Microsoft's infringement was 17 willful. Microsoft contends it does not 18 19 infringe the asserted claims of the '554 or the 20 '335 patent. 21 You will be asked to determine the 22 issue of infringement according to the 23 instructions I will give you in a moment. First let me tell about the burden 24

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of proof. In any legal action, facts must be proven by a required standard of evidence, known as the burden of proof. In a patent case such as this, Parallel Networks must prove its claims of patent infringement by a preponderance of the evidence. When a party has the burden of proof by a preponderance of the evidence, it means that you must be persuaded that what the party seeks to prove is more probably true than not true. To put it differently, if you were to put Parallel Networks' and Microsofts' evidence of infringement on opposite sides of a scale, the evidence supporting Parallel Networks' assertions would have to make the scale tip somewhat to Parallel Networks' side. If it is determined that Microsoft

If it is determined that Microsoft infringes the asserted claims, Parallel Networks also has the burden to establish the appropriate amount of damages it should receive by a preponderance of the evidence.

Those of you who are familiar with criminal cases may have heard the terms proof beyond a reasonable doubt. That burden does not

apply in a civil case and you, therefore, should put it out of your mind in considering whether or not Parallel Networks has met its burden of proving infringement by a preponderance of the evidence, that is more likely than not is the scale.

Before you can decide many of the issues in this case, you will need to understand the role of patent claims. The patent claims are the numbered sentences at the end of each patent. And you've seen exhibits that show you that repeatedly. The claims are important because it is the words of the claims that define what a patent covers. The claims are intended to define, in words, the boundaries of the invention described and illustrated in patents.

Claims are usually divided into parts, called limitations. For example, a claim that covers the invention of a table may recite the tabletop, four legs, and the glue that secures the legs to the tabletop. The tabletop, legs and glue are each a separate limitation of the claim. A claim covering the invention of a

table is called an apparatus claim. The claim describing the steps required to make a table is call a method claim.

There are two different types of claims in a patent. The first type is called an independent claim and you've heard that word used. An independent claim does not refer to any other claim of the patent. An independent claim is read alone to determine its scope.

For example, Claim 43 of the '335

Patent is an independent claim. You know this because Claim 43 does not refer to any other claims. Accordingly, the words of this claim are read by themselves in order to determine what the claim covers. Every limitation relevant to the claim is in that claim.

The second type, a dependent claim, refers to at least one other claim in the patent and thus, incorporates whatever that other claim says. Accordingly, to determine what a dependent claim covers you must read both the dependent claim and the claim or claims to which it refers, because those referred to claims have limitations in them.

1 For example, Claim 78 of the '335 2 Patent is a dependent claim. If you look at 3 Claim 78, it refers to Claim 43. Therefore, to 4 determine what Claim 78 covers, you must 5 consider the limitations of claims 78 and 43 6 together. Several claims of the '554 and the 7 8 '335 patents use the transitional term 9 comprising. Comprising is interpreted the same 10 as the words including or containing. In patent 11 claims comprising means that the claims are open-ended, that is, the claims are not limited 12 13 to products or methods that include only what is 14 in the claim and nothing else. 15 If you find that the accused 16 product or method includes all of the 17 limitations in any of the asserted claims that 18 use the term comprising, the fact that that 19 accused product may also include additional 20 elements or components is irrelevant. 21 presence of additional elements or components 22 does not mean that the method or product does 23 not infringe a patent claim. You will first need to understand 24

1 what each claim covers in order to decide 2 whether or not there is infringement of the 3 The law says that it is my role to claim. 4 define the terms of the claims and it is your 5 role to apply my definitions to the issues that 6 you are to decide in this case. You must accept 7 my definitions of these words in the claims as 8 being correct. It is your job to take these 9 definitions and apply them to the issues that 10 you are deciding, including the issue of 11 infringement. You must ignore any different interpretation given to these terms by the 12 13 witnesses or by attorneys if that happened. 14 I instruct you that the following 15 claim terms have the following definitions: 16 Now, this is on page 16 of the instructions. 17 First, web page: Web content on the worldwide 18 web displayable by a web browser; second, 19 request, a message that asks for a web page; 20 third, web server, software or a machine having 21 software that receives web page requests and 22 returns web pages in response to the requests; 23 four, page server, page generating software that 24 generates a dynamic web page; fifth, dynamic web

page, a web page that is created in response to a request; sixth, intercepting said request at said web server slash HTTP-compliant device, that means diverting the handling of said request before the request is processed by the web server slash HTTP-compliant device; seventh, releasing said web server to process other requests, that means freeing the web server to process other requests; eight, HTTP-compliant device meaning a device running software that implements the communication protocol known as hyper text transport protocol, HTTP; and last, machine readable medium, meaning nontransitory medium readable by a machine.

If I have not provided a specific definition for a given term, you are to use the ordinary meaning of that term. I'll repeat, that set of definitions is on page 16 going over to page 17 of the written instructions.

Now, let's talk about the law of patent infringement. Parallel Networks has the right to stop others from using the invention covered by its patent claims during the life of the patent. If any person makes or uses, within

1 the United States, or sells or offers to sell, 2 within the United States, what is covered by the 3 patent claims without Parallel Networks' 4 permission, that person is said to infringe the 5 patent. 6 In this case Parallel Networks 7 alleges that Microsoft directly infringes claims 8 20, 41 and 49 of the '554 Patent and claims 43 9 and 78 of the '335 Patent. 10 You must decide whether or not 11 Parallel Networks has proven by a preponderance 12 of the evidence that Microsoft has made or used, 13 within the United States, or sold or offered for 14 sale, within the United States, products or 15 services covered by any of the claims at issue 16 in this case. 17

of the '554 or '335 patents, then Microsoft infringes that patent, even if, in good faith, Microsoft believed that it did not infringe.

Microsoft's knowledge or intent to infringe is not relevant. You may have heard evidence that Microsoft has its own patents. However, ownership of patents is not a defense to patent

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1 infringement and Microsoft can still infringe 2 even if it has its own patents in the same area. 3 In order to prove direct 4 infringement, Parallel Networks must prove that 5 each limitation of the asserted claims is present in the accused products and services. 6 7 A claim limitation is literally 8 present if it exists in the accused product or 9 service just as it is described in the claim 10 language, either as I have explained that 11 language to you or, if I did not explain it, as 12 you understand its ordinary meaning. 13 Literal infringement must be 14 determined with respect to each asserted claim 15 individually by comparing the elements of the 16 accused product or service to each of that 17 claim's limitations. If the accused product or 18 service omits any single limitation recited in a 19 given claim, then you must have find that 20 Microsoft has not infringed that claim. You 21 must determine infringement with respect to each 22 asserted claim and each accused product or 23 method individually. 24 In determining whether any accused

product or service literally infringes any of 1 2 the asserted claims, you should take the 3 following steps: 4 First, you should determine the 5 scope of the asserted claim by reading the claim 6 language, limitation by limitation, as those 7 limitations have been construed by the court or, 8 if they have not been specifically construed, 9 according to their ordinary meaning. When I 10 said construed, I meant those definitions I read 11 to you. 12 And second, you should compare the 13 accused product or service, element by element, 14 to each of the limitations of the asserted 15 claim. 16 If you find each and every 17 limitation of the asserted claim in the accused 18 product or service, you must return a verdict of 19 infringement as to that claim. If you do not find each and every 20 21 limitation of the asserted claim in the accused 22 product or service, you must return a verdict of 23 no infringement as to that claim. 24 You must repeat the above analysis

with every asserted claim. There is one exception to this rule. If you find that an independent claim is not infringed, there cannot be infringement of any dependent claim that refers directly or indirectly to that independent claim.

On the other hand, if you find that an independent claim has been infringed, you must still decide, separately, whether the product or method meets the additional requirements of any claims that depend from that independent claim, thus, whether those dependent claims have also been infringed.

In this case, Parallel Networks argues both that Microsoft infringed and, further, that Microsoft infringed willfully. If you have decided that Microsoft has infringed, you must go on and address the additional issue of whether or not this infringement was willful. Willfulness requires you to determine whether Parallel Networks proved by a preponderance of the evidence that the infringement by Microsoft was especially worthy of punishment, for instance if Microsoft's infringement is wanton,

malicious, deliberate, consciously wrongful, flagrant, or done in bad faith. If you conclude that Microsoft infringed one or more of the asserted claims of the patents-in-suit, then you should consider Microsoft's knowledge and intent at the time of the infringement of the '554 and '335 patents in determining whether the infringement was willful.

Let's turn to the topic of damages. If you find that Microsoft infringed any claim of either patent-in-suit, you must then consider what amount of damages to award to Parallel Networks. On the other hand, if you find that each of the asserted patent claims is not infringed, then you do not need to consider damages in your deliberations. I will now instruct you about the measure of damages. By instructing you on damages, I am not suggesting which party should win this case, on any issue.

The damages you award must be adequate to compensate Parallel Networks for infringement, if you find infringement. Your damages award should put Parallel Networks in approximately the same financial position that

it would have been in had the infringement not occurred. You should not add anything to the amount of damages to punish Microsoft or to set an example.

Parallel Networks has the burden to establish the amount of its damages by a preponderance of the evidence. While Parallel Networks is not required to prove the amount of its damages with mathematical precision, it must prove them with reasonable certainty. You may not award damages that are speculative, damages that are only possible, or damages that are based on guesswork.

In this case, Parallel Networks seeks a reasonable royalty. A reasonable royalty is defined as the money amount Parallel Networks and Microsoft would have agreed upon as a fee for use of the invention at the time prior to when the infringement began. Parallel Networks is entitled to recover no less than a reasonable royalty for each infringing sale and/or use of Parallel Network's invention.

A royalty is a payment made to a patent holder in exchange for the right make,

use, or sell the claimed invention. A
reasonable royalty is the amount of royalty
payment that a patent holder and infringer would
have agreed to in a hypothetical negotiation, as
I just mentioned, taking place at a time prior
to when the infringement first began. In
considering this hypothetical negotiation, you
should focus on what the expectations of the
patent holder and the infringer would have been
had they entered into an agreement at that time,
and had they acted reasonably in their
negotiations.

In determining this, you must assume that both parties believed the patent was valid and infringed and that both parties were willing to enter into an agreement. The reasonable royalty you determine must be a royalty that would have resulted in a hypothetical negotiation, and not simply a royalty either party would have preferred. Evidence of things that happened after the infringement first began can be considered in evaluating the reasonable royalty only to the extent that the evidence aids in assessing what

1 royalty would have resulted from a hypothetical 2 negotiation. 3 Although evidence of the actual 4 profits Microsoft made may be used to determine 5 the anticipated profits at the time of the 6 hypothetical negotiation, the royalty may not be 7 limited or increased based on the actual profits 8 that Microsoft may have made. 9 In determining the reasonable 10 royalty, you should consider all the facts known 11 and available to the parties at the time the 12 infringement began. Some of the kind of factors 13 that you may consider in making your 14 determination are: 15 The royalties received by the 16 patentee for the licensing of the 17 patent-in-suit, proving or tending to prove an 18 established royalty. 19 The rates paid by the licensee for 20 the use of other patents comparable to the 21 patents-in-suit. 22 The nature and scope of the 23 license, as exclusive or nonexclusive, or as 24 restrict or nonrestricted in terms of territory

1 or with respect to whom the manufactured product 2 may be sold. 3 The licensor's established policy 4 and marketing program to maintain his or her 5 patent monopoly by not licensing others to use 6 the invention or by granting licenses under 7 special conditions designed to preserve the 8 monopoly. 9 The commercial relationship 10 between the licensor and licensee, such as 11 whether they are competitors in the same territory in the same line of business, or 12 13 whether they are inventor and promoter. 14 The effect of selling the patented 15 specialty in promoting sales of other products 16 of the license, the existing value of the 17 invention to the licensor as a generator of 18 sales of his nonpatented items, and the extent 19 of such derivative or convoyed sales. 20 Derivative or convoyed sales 21 haven't been mentioned here, so I think you can 22 probably ignore that. 23 The duration of the 24 patents-in-suit and the term of the license.

1 The established profitability of 2 the product made under the patents, its 3 commercial success, and its current popularity. 4 The utility and advantages of the 5 patented property over the old modes or devices, 6 if any, that had been used for working out 7 similar results. 8 The nature of the patented 9 invention, the character of the commercial 10 embodiment of it as owned and produced by the licensor, and the benefits to those who have 11 12 used the invention. 13 The extent to which Microsoft has 14 made use of the invention and any evidence 15 probative of the value of that use. 16 The portion of the profit or of 17 the selling price that may be customary in the 18 particular business or in comparable business to 19 allow use of the invention or analogous 20 inventions. 21 The portion of the realizable 22 profits that should be credited to the invention 23 as distinguished from nonpatented elements, the 24 manufacturing process, business risks, or

1 significant features or improvements added by 2 Microsoft. 3 The opinion and testimony of 4 qualified experts. The amount that a licensor, such 5 6 as the patentee, and a licensee, such as 7 Microsoft, would have agreed upon at the time 8 the infringement began if both had been 9 reasonably and voluntarily trying to reach an 10 agreement; that is, the amount which a prudent 11 licensee -- who desired, as a business 12 proposition, to obtain a license to manufacture 13 and sell a particular article embodying the 14 patented invention -- would have been willing to 15 pay as a royalty and yet be able to make a 16 reasonable profit and which amount would have 17 been acceptable by a prudent patentee who was 18 willing to grant a license. 19 No one factor is dispositive and 20 you can and should consider the evidence that 21 has been presented to you in this case on each 22 of these factors. You may consider any other 23 factors which in your mind would have increased 24 or decreased the royalty Microsoft would have

been willing to pay and Parallel Networks would have been willing to accept, acting as normally prudent business people.

The damages for infringement of patents-in-suit should be calculated beginning on September 11, 2012.

Let me finish up by explaining some things about your deliberations in the jury room, and your possible verdicts.

Once you start deliberating, do not talk to the jury officer, or to me, or to anyone else except each other about the case.

When I say the jury officer, we'll swear one of the courtroom security personnel to be outside the jury room to make sure you're not disturbed or interfered with in any way, but you don't talk to that jury officer or me or anyone else except each other about the case. If you have any questions or messages, you must write them down on a piece of paper, sign them, and then give them to the jury officer. The officer will give them to me and I will respond as soon as I can. I will have to talk to the lawyers about what you've asked, so it may take me some time

to get back to you if you have a question. Any questions or messages normally should be sent to me through your foreperson, who by custom of this Court is the juror seated in the first row in the first seat.

One more thing about messages. Do not ever write down or tell anyone how you stand on your votes. For example, do not write down or tell anyone that you are split 4 to 5 or 6 to 3 or whatever your vote happens to be. That should stay secret until you're finished.

Your verdict must represent the considered judgment of each juror. In order for you as a jury to return a verdict, it is necessary that each juror agree to the verdict. Your verdict must be unanimous.

It is your duty, as jurors, to consult with one another and to deliberate with a view towards reach an agreement, if you can do so without violence to your individual judgment. Each of you must decide the case for yourself, but do so only after an impartial consideration of the evidence with your fellow jurors. In the course of your deliberations, do not hesitate to

reexamine your own views and change your opinion, if convinced it is erroneous. But do not surrender your honest conviction as to the weight or effect of evidence solely because of the opinion of your fellow jurors, or for the purpose of returning a verdict. Remember at all times that you are judges -- judges of the facts. Your sole interest is to seek the truth from the evidence in the case.

A form of verdict has, as I've mentioned, been prepared for you. The verdict form asks you a series of questions about the parties' claims. Unless your directed otherwise in the form of the verdict, you must answer all of the questions posed, and you must agree on each answer. Now, I'll repeat, you do that in accordance with the way the verdict form is structured and it will tell you how to proceed if you've answered in a certain way. Okay. When you have reached a unanimous verdict or agreement as to the verdict, you will return your verdict to the courtroom deputy.

It is proper to add the caution that nothing said in these instructions and

nothing in the form of verdict is meant to suggest or convey in any way or manner what verdict I think you should find. What the verdict shall be is the sole and exclusive duty and responsibility of you, the jury.

Now that all the evidence is in and the arguments are completed, you are free to talk about the case in the jury room. In fact, it's your duty to talk with each other about the evidence and to make every reasonable effort you can to reach a unanimous agreement. Talk with each other, listen to each other carefully and respectfully, hear each other's views and keep an open mind as you listen to what your fellow jurors have say.

Try your best to work out your differences. Do no hesitate to change your mind, again, if you are convinced that the other, jurors are right and your original position was wrong. But, again, do not ever change your mind just because other jurors see things differently, or just to get the case over with. In the end your vote must be exactly that -- your own vote. It is important for you

1 to reach unanimous agreement, but only if you 2 can do so honestly and in good conscience. 3 If any member of the jury took 4 notes, let me remind you the notes are not to be 5 given any greater weight than the memory or 6 impression of each juror as to what the 7 testimony may have been. Whether you took notes or not, each of you must form and express your 8 9 own opinion as to the facts of the case. 10 No one will be allowed to hear 11 your discussions in the jury room, and no record 12 will be made of what you say. So you should all 13 feel free to speak your minds. 14 Listen carefully to what the other 15 jurors have to say, and then decide for 16 yourself. 17 Now, as you know, we generally end 18 our business each day at 4:30. If we do not 19 hear from you by 4:30, I will be sending you a 20 note to see whether you are close enough to a 21 verdict that you want to deliberate after 4:30 22 or whether you can going to recess for the 23 evening and resume your deliberations tomorrow. 24 You will need to respond in writing to that

question if you reach that point.

I am going to remind you now, if you do go home this evening and resume your deliberations tomorrow, you are not to talk about the case among yourselves or with anyone else during the evening recess. You are not to read or listen to any news about the case, any newspaper, online, or on television or radio.

I'm pretty sure it's not going to be there, but you are not to go on the internet, you're not to do anything like that if we end up having an evening recess.

You may talk about the case only while you are in the jury room and everyone on the jury is present. Unless I hear from you that you have a different schedule in mind, I will expect you all to come back tomorrow at 9 o'clock so that you can start your deliberations then. You are not to start deliberating until you are all present in the jury room and participating together. And again, these things are all in the event that there's an evening recess.

Because the lawyers have to make

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themselves available to respond to questions or receive the verdict, I generally will give them between, you know, during a lunch hour, which we're going to take right now, to step away from the phone. So whenever you are deliberating during lunch hour, let me remind you, if you ask a question during this time, you probably are not going to get an answer right away because people will not be at their phones. Let me finish up by repeating something I said to you earlier. Nothing that I have said or done during this trial was meant to influence your decision in any way. You must decide the case yourselves based on the evidence presented. And finally, if I have read any of these instructions inconsistently with the written text you are to rely on the instructions that I'm going to send back with you, okay? I think I did a pretty good job. And before I ask the courtroom deputy to swear you, I want to thank you for the careful attention and patience and the seriousness with which you've taken this. know the parties appreciate it. I do too. I'll

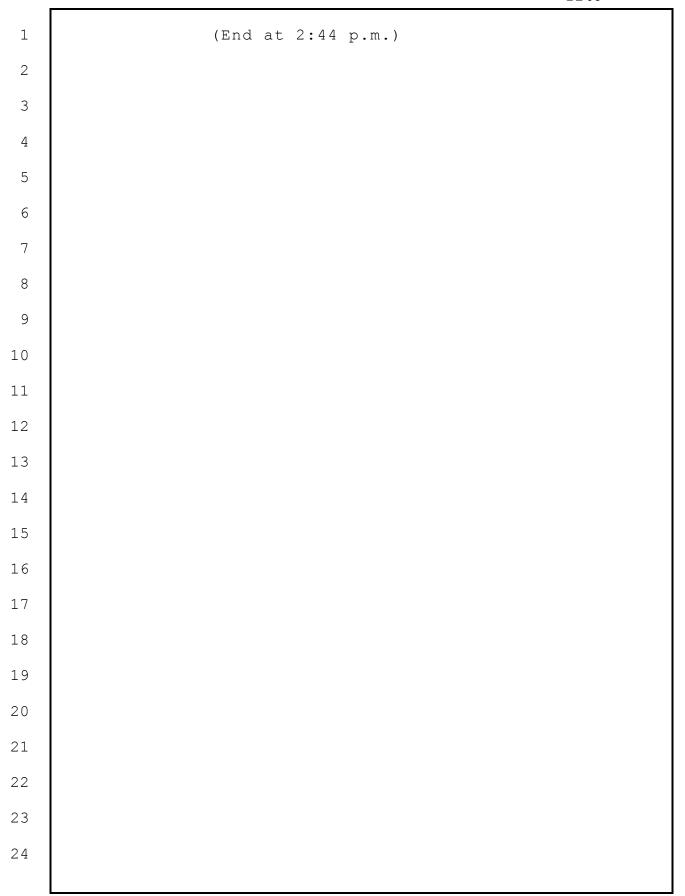
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       ask that the jury officer now be sworn.
 2
                     (Jury officer sworn.)
 3
                     THE COURT: Give me one moment
 4
       with the lawyers at side bar.
 5
                     (Side bar discussion.)
                     THE COURT: Any issue with the
 6
7
       instructions I just read?
                     MR. CAWLEY: Not from Plaintiff.
8
9
                     MS. BROOKS: No, Your Honor.
10
                     THE COURT: Okay. Let's send them
11
       back.
12
                     (Recess at 12:33 p.m.)
13
                     THE COURT: All right. Ladies and
14
       gentlemen, the case is now yours. Thank you.
15
       Please take the jury out.
16
                     (Jury leaving the courtroom at
17
       12:35 p.m.)
18
                     THE COURT: Okay. Please be
19
       seated. I'm going to send these packets to the
20
       jury now. I made one mark on it to note if
21
       there is a recess, they start their
22
       deliberations at 9:00 and not 9:30 tomorrow
23
       morning. That's the only change. I don't see
24
       that that will cause anybody any difficulty.
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1 see by the head shaking that is not a problem 2 with anybody. 3 I'm sending the verdict form, the 4 revised jury instructions and the verdict 5 instructions that were given to me by the 6 parties. I'll give it to the courtroom deputy 7 to hand it to the jury at this time. 8 I'll ask counsel, you know, you 9 get your lunch break, but I do hope you have got 10 your cell phones with you and that you give the 11 courtroom deputy the number or numbers that you 12 want to be used sort of in order of priority in 13 the event that there are any questions and I 14 need to get ahold of you for some reason. 15 All right. And with that, I'll 16 say let's go off the record. I just would like 17 to shake your hands. 18 (Court recessed at 12:38 p.m.) 19 THE COURT: Let's have a seat 20 please. I've been waiting to get a call and 21 haven't gotten one, but I don't want to keep the 22 jury waiting, so I'm not sure -- who are we 23 still waiting for? 24 MS. BROOKS: Your Honor, it was

1	our client representative, Ms. Kwan. We
2	actually ran out of the office and forgot to
3	tell her and she's running here in the rain.
4	THE COURT: She's going to have to
5	run in the rain. So we have nine people waiting
6	who have put their lives on hold and I don't
7	think we should be keeping them any longer.
8	Let's go ahead and have the jury in.
9	(Jury enters.)
10	THE COURT: Thanks. Please be
11	seated, ladies and gentlemen. I received your
12	note signed by your foreperson saying, we have a
13	verdict. Please tell me what to do. And what
14	to do is if you would at this time hand the
15	verdict form to the courtroom deputy.
16	All right. This is your verdict?
17	I'll ask the foreperson.
18	THE JUROR: I'm sorry?
19	THE COURT: This is your verdict?
20	THE JUROR: Yes.
21	THE COURT: Okay. I'll ask the
22	deputy to read it.
23	COURTROOM DEPUTY: Okay.
24	Infringement as to Question Number 1, has

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1
       Parallel Networks proven by a preponderance of
 2
       the evidence that Microsoft directly infringed
 3
       the following claims of the patents-in-suit by
 4
       making or using Bing and/or MSN?
 5
                     And the jury has marked for the
        '554 patent claims as to Claim 20, the answer is
 6
 7
       no. Claim 41, no. Claim 49, no. As to the
        '335 Patent claims, Claim #43, the jury has
8
9
       marked no. Claim 78 is no.
10
                     THE COURT: And the remainder of
11
       the verdict form, as instructed, remains blank.
12
                     Are there any applications from
13
       the parties?
14
                     All right. I'll see counsel at
15
       side bar.
16
                      (Side bar discussion.)
17
                     THE COURT: Polling of the jury or
18
       anything else before I release them?
19
                     MR. CAWLEY: I don't think we need
20
       jury polling.
                     THE COURT: Then I'll release
21
22
              We'll be ready to wrap up then.
23
                     MS. BROOKS: Thank you.
24
                   (Side bar discussion ends.)
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1	THE COURT: All right. Ladies and
2	gentlemen of the jury, thank you very much for
3	your service. That concludes your service on
4	this case. On behalf of the parties and on
5	behalf of the United States, I thank you very,
6	very much. You're free to return the jury room,
7	obtain your things and exit. The courtroom
8	deputy will help you with that.
9	(Jury exits.)
10	THE COURT: Okay. Please have a
11	seat. I don't know whether there's as far as
12	post trial motions, et cetera, like that go, you
13	each have local counsel and will advise, let me
14	know about that.
15	Is there anything else that needs
16	to be addressed before we conclude here in the
17	courtroom today?
18	MR. CAWLEY: Not from the
19	Plaintiff, Your Honor.
20	THE COURT: All right.
21	MS. BROOKS: Nothing from the
22	defense. Thank you, Your Honor.
23	THE COURT: All right. Thank you
24	very much.



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      State of Delaware )
 2
     New Castle County )
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 5
                   CERTIFICATE OF REPORTER
 6
7
               I, Dale C. Hawkins, Registered Merit
      Reporter, Certified Shorthand Reporter, and Notary
8
9
      Public, do hereby certify that the foregoing record,
10
      Pages 1,082 to 1,270 inclusive, is a true and
11
      accurate transcript of my stenographic notes taken on
12
     May 11, 2017, in the above-captioned matter.
13
14
               IN WITNESS WHEREOF, I have hereunto set my
15
      hand and seal this 11th day of May 2017, at
      Wilmington.
16
17
18
19
                       /s/ Dale C. Hawkins
20
                       Dale C. Hawkins, RMR
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24
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